



THE GREAT EASTERN SHIPPING COMPANY LIMITED

MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION



The Great Eastern Shipping Co. Ltd.

MUMBAI

MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION

MEMORANDUM OF ASSOCIATION

OF

THE GREAT EASTERN SHIPPING COMPANY LIMITED

1. The name of the Company is THE GREAT EASTERN SHIPPING COMPANY LIMITED.
2. The registered office of the Company will be situated in the province of Bombay.
3. The objects for which the Company is established are the following namely:
 - (1) To own, purchase, charter, hire or otherwise acquire, sell, exchange, let or otherwise deal with, operate, trade in or with steam, and other ships, boats and vessels, aircraft and other transports and conveyances of every description propelled or worked or capable of being propelled or worked, by steam, electricity, petrol, oil gas, or any other motive power or power-producing substance, with all equipment and furniture, build steam and other ships and vessels and to employ the same in the carriage or conveyance by land, sea or air in or between any place or places or port or ports or on any seas, rivers, canals or elsewhere, of passengers, mails, troops, munitions of war, livestock, corn and other produce and of treasure and merchandise and food, articles and goods and things of all kinds, between such ports and places in any part of the world, as may seem expedient, and to establish, maintain and work, lines of steam and other ships, air services and lines of aerial communication and other transports and conveyances between any ports, countries or places which may seem to the Company from time to time expedient, and to acquire any postal and other subsidies.
 - (2) To buy, sell, prepare for market and deal in rice, grains, sugar, copra, and all other commodities, and also manufactured articles, and coal, timber, oils, lubricants, petrol, fuels of all description, live-stock, and other merchandise and produce, either for freighting ships vessels and aircraft of the Company, or any other purpose.
 - (3) To carry on in all parts of the world, all or any of the businesses of merchants, carries by land, water, and air, shipowners, aircraft owners, transport owners, dock owners, hangar owners, air-field owners, seaplane base owners, warehousemen, wharfingers, barge owners, lightermen, forwarding and general agents stevedores, bunkerers and ice merchants and refrigerating store keepers, and of hotel owners and bus owners in all their respective branches in furtherance of or in connection with their business of carriers by land, sea and air.
 - (4) To carry on in India, Indian States and in any part of the world, business or trade of bankers, financiers, capitalists, merchants, exporters, importers, underwriters, investors, landed proprietors, builders, contractors, miners, carriers by land and water, ship, boat and barge owners, builders and charterers, wharfingers, warehousemen, commission, forwarding and other agents, marine, fire and other insurers, and manufacturers, mucedams and brokers.
 - (5) To establish and maintain agencies and offices at any place or places for the conduct of the business of the Company and for the purchase and sale, either for ready or future delivery, of any merchandise, commodities, goods, wares, materials, produce, products, articles and things required for or dealt in, or manufactured by or at the disposal of the Company, and to transact all kind of agency business.
 - (6) To carry on the business of shipbuilders and repairers and refitters of ships, vessels, tugs, barges, lighters and aircrafts and other transports and conveyances, and manufacturers and/or repairers of engines, boilers, tackles, machinery and any parts required for ships, vessels or aircraft and any apparatus for use in connection therewith; and generally to carry on the business of civil and mechanical engineers; also to acquire, provide and maintain hangars, garages, sheds, aerodromes and accommodation for or in relation to aerial conveniences.
 - (6A) To acquire ships, vessels, floating structure equipments for scrapping and to carry on the business of shipbreaking, scrapping, scrap merchants and to trade in goods, equipments and materials of all sorts that may arise out of these activities.
 - (7) To construct and establish docks, with patent and other slips, work shops, buildings, machinery, and other conveniences.
 - (7A) To carry on the business of construction, operation and management of port and port related facilities either singly or in association with one or more parties.
 - (8) To carry on the business of proprietors of docks, wharves, jetties, piers, warehouse and stores, and of ship, tug, lighter and barge owners, shipwrights, dredgers, ship, freight and insurance brokers.
 - (9) To construct, improve, maintain, develop, work, manage, carry out or control any roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, watercourses, wharves, manufactories, warehouses, electric works, shops, stores, and other works and conveniences which may seem calculated directly or indirectly to advance the Company's interests, and to contribute to, subsidies or otherwise assist or take part in construction, improvement, maintenance, working, management, carrying out or control thereof.
 - (10) To equip and fit up with all plant, machinery, equipment, appliances and accessories, yards, factories or works for building, repairing, equipping, stationing steamers, ships, vessels, launches, boats, aircrafts and all other transports and conveyances.

- (10A) To carry on the business of producing, generating, storing, distributing, buying, selling, extracting, converting, or dealing in any form of energy and power or sources of energy and power, hydro-electric power, thermal power, geological or geo-thermal power, wind power, solar power, or any other means of deriving energy and power out of any phenomena, for motivating industrial, electrical or mechanical activity; to undertake one or more "Power Projects" as contemporaneously understood either singly or in collaboration or under assignment of any nature with or from any other person or authority and to do all that is allied or incidental or conducive to the above; and to put to useful application any side product or by-product or any wastage in the process; and for that purpose, to undertake mining, extraction, conversion, beneficiation, utilisation or value addition in any manner of those connected with power generation and distribution; to erect, commission, run as an agent or manager, to provide any assistance in erection, running and/or commissioning of any power plant; to provide any services including consultancy services in the realm of power, to undertake alone or in collaboration with one or more persons any Power Projects;
- (10B) To set-up, establish, develop and carry on the business of holiday resorts, hill resorts, health resorts, clubs, country clubs, hotels, motels, restaurants, and for that purpose to build cottages, houses, rooms, suites, and to let them out for rent on hire, give them on lease on a time sharing or property sharing basis by days, weeks, months and any undivided share with or without holiday exchange basis, both in India and outside India;
- (10C) To set-up, establish and carry on the business of running Hospitals, Nursing Homes, Clinics, Dispensaries, Maternity Homes, Child Welfare and Family Planning Centres, Diagnostic Centres, Pathological Laboratories, X-ray Clinics;
- (10D) To create, construct, establish, lease, operate and maintain shopping malls, airport duty free shops, shopping arcades and retail outlets whether on franchise or otherwise;
- (11) To effect all such insurances in relation to the carrying on of the Company's business and any risks incidental thereto as may seem expedient, and if thought fit, to join or become a member of any mutual insurance company or to carry a part or the whole of such insurance risk in connection with the Company's business.
- (12) To act as Managing Agents of any company carrying on or about to carry on any business which this Company is authorised to carry on.
- (13) To form, constitute, promote, subsidise, organise and assist or aid in forming, constituting, promoting, subsidising, organising and assisting or aiding any company or companies, syndicates or partnerships of all kinds, for the purpose of acquiring all or any of the property, rights and liabilities of this Company or for carrying on any business which this Company is authorised to carry on or for any other purposes which may seem directly or indirectly calculated to benefit this Company or to promote or advance the interests of the Company.
- (14) To sell, improve, manage, develop exchange, lease mortgage, dispose of turn to account or otherwise deal with, all or any part or parts of the property and rights of the Company.
- (15) To adopt such means of making known the business of the Company or of any other company in which the Company is interested as may seem expedient, and in particular by advertising in the press, by circulars, by publication of books and periodicals, and by granting prizes, rewards, donations and otherwise.
- (16) To open and keep a register or registers in any countries where it may be deemed advisable to do so and to allocate any number of the shares in the Company to such register or registers.
- (17) To procure the incorporation, registration or other recognition of the Company in any country, state or place and to establish and regulate agencies for the purpose of the Company's business and to apply for or join in applying to any Government, local, municipal or other authority or body.
- (18) To act as arbitrators and for that purpose to nominate any person or persons on behalf of the Company in the settlement of disputes arising out of commercial transactions.
- (19) To carry on, assist or participate in any other trade or business whether financial, commercial, manufacturing or otherwise, calculated, directly, or indirectly to promote the interests of the Company, or to enhance the value of or render profitable any of the Company's property or rights or which may be subsidiary or ancillary to any of the Company's objects.
- (20) To acquire, deal with and dispose of the following property in India or elsewhere in any part of the world:
- (a) The whole or any part of the business, property and liabilities of any company, firm or person carrying on or having ceased to carry on any business within the objects of this Company or possessed of property suitable for the purposes of the Company.
 - (b) Lands, buildings, easements, and other interests in real estate.
 - (c) Plant, machinery, personal estate and effects.
 - (d) Rights, privileges, licences, concessions, processes, patents, patent rights, inventions or designs and the like.
 - (e) Shares, stocks or securities in or of any shipping company, aircraft or other transport company or any company carrying on or entitled to carry on business of building or manufacturing steamers, vessels, ships, tankers, aircraft transport or conveyance in or of any company carrying on any business which this Company is entitled

to carry on or of any other company or undertaking the acquisition of which may seem likely or calculated directly or indirectly to promote or advance the interest of the Company or be advantageous or be beneficial to the Company, and to continue to hold any shares in any such company heretofore acquired by the Company, and to sell or dispose of and transfer any such shares, stocks or securities.

- (21) To purchase, take on lease or acquire in exchange or under amalgamation licence or concession or otherwise absolutely or conditionally, solely or jointly with others any property, rights or privileges which the Company may think necessary or convenient for the purposes of its business, and to make, construct, maintain, work, hire, hold, improve, alter, manage, let, sell, dispose of, exchange, carry out or control, roads, canals, water courses, ferries, piers, wharves, quays, sheds, aerodromes, air ports, air-fields, seaplane bases, landings places, garages, accommodation of all kinds for sea, land and air traffic, waterways, airways, lands, buildings, pipe lines, foundries, warehouses, works, factories, workshops, sidings, tramways, engines, machinery and apparatus, electric works, water rights, way leaves, privileges or rights of any description or kind and other conveniences which may be calculated directly or indirectly to advance the Company's interests, and to contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, working management, carrying out or control thereof.
- (22) To perform or do all or any of the following operations, acts or things:
- (a) To pay all the costs, changes and expenses of and incidental to the promotion and establishment of the Company.
 - (b) To sell, let, dispose of or grant rights over all or any property of the Company.
 - (c) To construct, maintain and alter any buildings, plant and machinery for the purposes of the Company.
 - (d) To manufacturer plant, machinery, tools, goods and things for any of the purposes of the business of the Company.
 - (e) To draw, make, accept, endorse, discount, execute and issue, negotiate, and assign, buy and sell and otherwise deal in cheques, drafts, promissory notes, bills of exchange, hundies, debenture bonds, bills of lading, railway receipts, warrants, coupons and all other negotiable or transferable securities, instruments or documents.
 - (f) To borrow or raise or secure the payment of money, or to receive money on deposit at interest for any of the purposes of the Company, and at such time or times and in such manner as may be thought fit and in particular by the issue of debentures or debenture-stock, perpetual or otherwise, including debenture or debenture-stock, convertible into shares of this or any other company or perpetual annuities; and as security for any such money so borrowed, raised or received or of any such debentures or debenture-stock so issued, to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as many seem expedient, and to purchase, redeem or payoff any such securities.
 - (g) To accumulate funds and to lend money with or without security to such persons or companies and in particular to customers having or expected to have dealings with the Company, on such terms and to invest money of the Company in such manner (other than in the shares of this Company) as the Directors think fit, and to sell, transfer or deal with the same.
 - (h) To enter into partnership or into any arrangement for joint working, sharing, or pooling, amalgamation, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, or amalgamate with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business, undertaking, dealing or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit this Company.
 - (i) To sell or dispose of the undertaking and all or any of the property or effects of the Company for cash or for stock, shares or securities of any other company or for other consideration.
 - (j) To establish, provide, maintain and conduct or otherwise subsidise research, laboratories and experimental workshops for scientific and technical research and experiments, to undertake and carry on scientific and technical researches, experiments and tests of all kinds; to promote studies and researches both scientific and technical, investigations and inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings, and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise, and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
 - (k) To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital, or any debentures, debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business.

- (l) To establish, maintain, operate and support or join in establishing, maintaining, operating and supporting training college for ship's officers, air pilots, radio operators, ground engineers, technicians and mechanics, and school and colleges for training in navigation and aviation in all branches of marine and aeronautical navigation and engineering in India or in any part of the world and to enter into any arrangement with Government or any other party for that purpose.
 - (m) To apply for, obtain, arrange for the issue or enactment of Order or Act of Legislature or Act of Authority in India, England or in any other part of the world for enabling the Company to obtain powers, authorities, protection, financial and other help necessary or expedient to carry out or extend any of the objects of Company or for any other purpose which may seem expedient; and to oppose any proceedings or applications or any other endeavours, steps or measures which seem calculated directly or indirectly to prejudice the Company's interests.
 - (n) To enter into any arrangements with the Government of India or any Local or Provincial Government in India or the Government of any other State, Country or Dominion or with any authorities, local or otherwise, or with any Rulers, Chiefs, land-holders, or other persons in any part of the world that may seem conducive to the Company's objects or any of them, and to obtain from them any rights, powers and privileges, licences, grants and concessions which the Company may think it desirable to obtain; and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
 - (o)
 - (i) To provide for the welfare of persons employed or formerly employed by the Company and the wives, families, dependents or connections of such persons by building of houses, dwellings, or chawls or by grants of money, pensions, allowances, bonuses or other payments or by creating and from time to time subscribing or contributing to provident fund and other associations, institutions, funds or trusts, or by helping persons employed by the Company to effect or maintain insurance on their lives by contributing to the payment or otherwise, and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.
 - (ii) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects, or purposes or for any exhibition.
 - (p) To subscribe to, or otherwise aid, benevolent, charitable, national, or other institutions, or objects of a public character, or which have any moral or other claims to support or aid by the Company by reason of the locality or nature of its operations or otherwise.
 - (q) To open an account or accounts with any individual, firm or company or with any Banks, or Bankers or Shroffs and to pay into and to withdraw money from such account or accounts whether they be in credit or otherwise.
 - (r) To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles, or the promotion of industry or trade.
 - (s) To hold in the names of others, any property which the Company is authorised to acquire.
 - (t) To distribute any of the property of the Company among the members in specie or in kind 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.
 - (u) To receive money, securities and property on deposit or for safe custody.
 - (v) To do all or any of the things, hereinbefore authorised, in any part of the world, either alone, or in conjunction with others and either as principals, contractors, factors, trustees or agents for others or by or through factors, trustees, sub-contractors or agents otherwise and to allow any property to remain outstanding in such factors, trustees or agents.
 - (w) To do all such other things as are incidental or the Company may think conducive to the attainment of the above objects or any of them.
- (23) To promote, manage, assist, render services to and to invest in projects relating to offshore and onshore gas and oil exploration, prospecting, development and production, including but without being limited to, brokering of work contracts, construction contracts, exploration licences and financing agreements and arrangements in India and in any part of the world.
- (24) To acquire, purchase, sell, own, lease, charter, let out to hire, administer, manage, control, operate, construct, repair, alter, equip, furnish, fit out, decorate, improve and otherwise deal in offshore and onshore rigs and platforms, works, buildings, conveniences and equipments of all kinds, including equipments for seismic, electrologging, mudlogging, perforation, cementing, production, maintenance, diving and construction, irrigation, reclamations, sewage, drainage and sanitary works, water, gas, oil, motor, electrical, telephone, telegraphic and power supply works connected with the oil and gas industry.

- (25) To acquire, purchase, sell, own, lease, charter, let out to hire, administer, manage, control, operate, construct, repair, alter, equip, furnish, fit out, decorate, improve and otherwise deal in ships, vessels, barges and sailing craft of all kinds including supply vessels, anchor handling tugs, multi support vessels, diving support vessels, pipe laying barges, non-destructive testing vessels, oil and gas production vessels, cargo vessels, storage vessels and passenger vessels".

The objects set forth in any of the foregoing clauses or sub-clauses shall not, except when the context expressly so requires, be in anywise limited or restricted by reference to or inference from the term of any other clause or sub-clause or by the name of the Company. None of such clauses or subclauses or the objects therein specified or the powers thereby conferred, shall be deemed subsidiary or auxiliary merely to the objects mentioned in any other clause or sub-clause, but the Company shall have full power to exercise all or any of the powers conferred by any clause or sub-clause in any part of world, and notwithstanding that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the other clauses or sub-clauses aforesaid.

4. The liability of the members is limited.

5. The Authorised Share Capital of the Company is Rs. 5,00,00,00,000 (Rupees Five Hundred Crores) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs.10/- (Rupees Ten) each and 20,00,00,000 (Twenty Crore) Preference Shares of Rs.10/- (Rupees Ten) each with power to the Company to divide the shares in the Capital for the time being, into several classes and to increase or reduce the said share capital and to issue any part of its capital original or increased, with or without any preferential, priority or special rights or privileges or subject to any postponement of right or to any conditions or restrictions as may be determined by or in accordance with the Companies Act, 1956, and the Articles of Association of the Company, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company, and so that, unless the conditions of issue shall otherwise expressly declare, every issue of shares whether declared to be preference or otherwise, shall be subject to the powers hereinbefore contained.

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

Name of Subscribers	Addresses and Descriptions of Subscribers	Number of Shares taken by each Subscriber	Witnessess
1 Sheth Fali H. Mehta	Merchant, Mehta House, Appollo Street, Bombay	2500	Jagjivan Ujamshi Mulji
2 Sheth Ardeshir Hormasji Bhiwandiwalla	Merchant, Chira Bazar, Bombay	2500	
3 Sheth Manmohandas Madhavdas Amersey	Merchant, Carmichael Road, Bombay	2500	
4 Sheth Pratapsinh Mathuradas	Merchant, Wallace Street, Bombay	2500	
5 Sheth Maneklal Ujamshi	Merchant, 73, Marine Drive Bombay	2500	
6 Sheth Behramgore Hormasji Bhiwandiwalla	Merchant, Chira Bazar, Bombay	2500	
7 Sheth Vasant J. Sheth	Merchant, Anand Bhuvan, Babulnath Road, Bombay	2500	

Dated this 3rd day of July 1948

Copy of the Bombay High Court Order obtained for the merger of A. H. Biwandiwalla & Co. (Bombay) Ltd., and Dhirvijay Investment Company Ltd. and MDSV Trading & Investment Company Ltd. and The Great Eastern Shipping Company Ltd.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 371 OF 1993
CONNECTED WITH
COMPANY APPLICATION NO. 384 OF 1993

In the matter of Companies Act, 1956
And

In the matter of Sections 391 to 394 of the said Act
And

In the matter of The Great Eastern Shipping Company Ltd.
And

In the matter of scheme of Amalgamation between A. H. Bhiwandiwalla & Company (Bombay) Ltd. and Dhirvijay Investment Company Ltd. and MDSV Trading & Investment Company Ltd. and The Great Eastern Shipping Company Ltd.

The Great Eastern Shipping Company
Ltd. an existing Company within the meaning
of Section 3 of the Companies Act, 1956 and
having its Registered Office at
Hongkong Bank Bldg., 52-60 Mahatma
Gandhi Marg, Bombay - 400 001.

..... Petitioners

Coram : Justice M. S. RANE J.
Date: 7th October, 1993.

UPON the Petition of The Great Eastern Shipping Company Limited, the Petitioner abovenamed presented to this Hon'ble Court on the 16th day of August 1993 for sanction of Scheme of Amalgamation whereby the undertaking and business of A. H. Bhiwandiwalla and Company (Bombay) Limited, Dhirvijay Investment Company Limited and MDSV Trading and Investment Company Limited (hereinafter collectively referred to as "the Transferee Company") and for other consequential reliefs mentioned in the Petition AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said petition and the Affidavit of Mr. Pradyumna Raghunath Naware dated the 16th day of August 1993 verifying the said Petition AND UPON READING the Affidavit of Mr. Y Hari Hara Subramaniam dated the 21 st day of September, 1993 proving publication of the Notice of the date of hearing of the said Petition AND UPON READING the Order dated the 23rd day of June, 1993 in Company Application No 384 of 1993 whereby the Transferee Company was ordered to convene a Meeting of its Equity Shareholders for the purpose of considering and if thought fit approving with or without modification, the said Scheme of Amalgamation proposed to be made between the Transferor Company and the Transferee Company and annexed as Exhibit "F" to the Affidavit of Mr. Pradyumna Raghunath Naware dated the 18th day of June, 1993 in support of the said Company Application AND UPON PERUSING the issued of "Free Press Journal" dated 12th day of July 1993 and of "Navashakti" dated the 12th day of July 1993 each containing advertisement of the said Notice convening the said Meeting directed to be held by the said Order dated the 23rd day of June 1993 AND UPON READING THE Affidavit of Mr. Pradyumna Raghunath Naware dated 20th day of July, 1993 proving the publication and dispatch of the Notice convening the said Meeting AND UPON READING the Report dated the 13th of August 1993 of Mr. Kanaiyalal Maneklal Sheth, Chairman of the said Meeting as to the result of the said Meetings AND UPON READING the Affidavit of Mr. Kanaiyalal Maneklal Sheth dated the 13th day of August 1993 verifying the said Report AND UPON HEARING Shri VEERENDRA V TULZAPURKAR instructed by M/s. Crawford Bayley & Co., Advocates for the Transferee Company and Ms Neeta Masurkar Panel Counsel for the Regional Director, Department of Company Affairs, Maharashtra, Bombay who appears in pursuance of the Notice dated the 20th day of August, 1993 under Section 394A of the Companies Act, 1956, who submits to the Orders of the Court AND IT APPEARING from the said Report of the Chairman of the Meetings of the Equity Shareholders of the Transferee Company that the Scheme of Amalgamation has been approved by the requisite majority by the Equity Shareholders of the Transferee Company present and voting in person or by proxy or by representation AND no other person entitled to appear at the hearing of the said Petition appearing this day either in support of the said Petition or to show cause against the same, THIS COURT DOTH HEREBY SANCTION the Scheme of Amalgamation as set forth in Exhibit "F" to the said Petition and in the Schedule hereto AND DOTH HEREBY DECLARE THAT the same is binding on the Transferee Company and its members as also on the Transferor Company AND THIS COURT DOTH FURTHER ORDER that with effect from the 1st day of October 1992 (hereinafter called "the Transfer Date") the undertakings and all properties, all rights, and powers of every kind and description including all the assets and interest of the Transferor Company be transferred without further

act or deed to the Transferee Company and the same shall pursuant to Section 394 (2) of the Companies Act, 1956, be transferred to and do vest in the Transferee Company free from all effects and interests of the Transferor Company therein subject nevertheless to all charges, if any, now affecting the same AND THIS COURT DOTH FURTHER ORDER that all liabilities, duties and obligations of the Transferor Company be transferred without further act or deed to the Transferee Company with effect from the 1st day of October 1992 and the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and do become the liabilities, duties and obligation of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all legal proceedings now pending by or against the Transferor Company be continued and be enforced by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that pursuant to section 394, the Transferee Company shall issue and allot in accordance with the provisions of Clause 9(a)(ii) of the Scheme of Amalgamation to the shareholders holding equity shares in the Transferor Company on such date as the Board of Directors of the Transferee Company may determine, thirty five equity shares of Rs. 10/- (Rupees Ten Only) each fully paid-up for everyone equity share of Rs. 10/- (Rupees Ten Only) fully paid-up held by them in the Transferor Company AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do within thirty days after the date of the sealing of this order cause a certified copy of this Order to be delivered to the Registrar of Companies, Maharashtra, Bombay, for registration and on such certified copy being so delivered AND upon the conditions referred to in clause 14 of the Scheme of Amalgamation being fulfilled the Transferor Company be dissolved without winding up and that the Registrar of Companies Maharashtra, Bombay shall place all files, documents and records relating to the Transferor Company and consolidate the same AND THIS COURT DOTH FURTHER ORDER that the parties to the said Scheme of Amalgamation sanctioned herein and any other person, or persons, interested therein, shall be at liberty to apply to this Honourable Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein and in the above matter AND THIS COURT DOTH LASTLY ORDER That the Petitioners do pay the sum of Rs.500/- (Rupees Five Hundred Only) to the Regional Director, Department of Company Affairs, Maharashtra, Bombay towards the costs of the said Petition WITNESS SHRI MONOJ KUMAR MUKHERJEE, Chief Justice at Bombay aforesaid this 7th day of October. 1993.

By the Court,

Sealed

This 15th day of Oct. 1993.

For Prothonotary & Senior Master

Order sanctioning the Scheme of Amalgamation under Sections 391 and 394 of the Companies Act, 1956 drawn on the application of M/s. Crawford Bayley & Co., Advocates having their office at State Bank Building, NGN Vaidya Marg, Fort, Bombay - 400 023.

SCHEDULE
SCHEME OF AMALGAMATION

BETWEEN
A. H. BHIWANDIWALLA & COMPANY (BOMBAY) LIMITED

AND
DHIRVIJAY INVESTMENT COMPANY LIMITED

AND
MDSV TRADING & INVESTMENT COMPANY PRIVATE LIMITED

AND
THE GREAT EASTERN SHIPPING COMPANY LTD.

Preliminary :

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

“The Transferor Company” Means any of the following Companies:

- (a) A. H. BHIWANDIWALLA & COMPANY (BOMBAY) LIMITED (AHB) a Company incorporated under the Indian Companies Act, 1913, having its registered office at 5th Floor, Sugar House, 93/95 Kazi Sayed Street, Bombay - 400 003
- (b) DHIRVIJAY INVESTMENT COMPANY PRIVATE LIMITED, (Dhirvijay) a Company incorporated under the Companies Act, 1956, having its registered office at 5th Floor, Sugar House, 93/95 Kazi Sayed Street, Bombay - 400 003.
- (c) MDSV TRADING & INVESTMENT COMPANY PRIVATE LIMITED, (MDSV) a Company incorporated under the Companies Act, 1956, having its registered office at 5th Floor, Sugar House, 93/95 Kazi Sayed Street, Bombay - 400 003.

“The Transferee Company” means the Great Eastern Shipping Company Limited (GESCO), a Company incorporated under the Indian Companies Act, 1913, having its registered office at Hongkong Bank Building, 5260 Mahatma Gandhi Marg, Bombay - 400 001.

“The Act” means the Companies Act, 1956.

“The Transfer Date” means the commencement of business on 1st October 1992.

“The Transferor Shareholders” means the persons who are registered as the holders of the issued Equity Shares in the Capital of the Transferor Company as on such date (after the effective date hereinafter defined) as the Board of Directors of the Transferee Company may determine.

“Effective Date” means the day on which the last of the approval specified in clause 14 of the Scheme have been obtained.

- (B) (1) The authorised, issued, subscribed and paid-up share capital of AHB as on 31st March, 1992 was as under:

<u>AUTHORISED</u>	Rs.
50,000 Equity Shares of Rs. 100/- each	50,00,000

ISSUED, SUBSCRIBED AND PAID-UP

25,000 Equity Shares of Rs. 100/- each of which 15,000 Equity Shares allotted as fully paid-up bonus shares	25,00,000
---	-----------

Upon subdivision of equity shares from face value of Rs. 100 to Rs. 10 during the year 1992-93, the authorised, issued, subscribed and paid-up share capital of AHB as on 31st March, 1993 is as under:

<u>AUTHORISED</u>	
5,00,000 Equity Shares of Rs. 10 each	50,00,000
	<u>50,00,000</u>

ISSUED, SUBSCRIBED AND PAID-UP

2,50,000 Equity Shares of Rs. 10 each	25,00,000
	<u>25,00,000</u>

- (2) The authorised, issued, subscribed and paid-up share capital of Dhirvijay as on 31st March, 1992 was as under :

AUTHORISED

49,995 Equity Shares of Rs. 100 each	49,99,500
5 6% Non-cumulative, Non-redeemable Preference shares of Rs. 100 each	500
	<u>50,00,000</u>

ISSUED, SUBSCRIBED AND PAID-UP

49,752 Equity Shares of Rs. 100 each	49,75,200
5 6% Non-cumulative, Non-redeemable Preference shares of Rs. 100 each	500
	<u>49,75,700</u>

Upon sub-division of equity shares from face value of Rs. 100 to Rs. 10 during the year 1992-93, and on the redemption of preference shares, the authorised, issued, subscribed and paid-up share Capital of Dhirvijay as on 31st March, 1993, is as under:

AUTHORISED

4,99,950 Equity Shares of Rs. 10 each	49,99,500
5 6% Non-cumulative, Non-redeemable Preference shares of Rs. 100 each	500
	<u>50,00,000</u>

ISSUED, SUBSCRIBED AND PAID-UP

4,97,520 Equity Shares of Rs. 10 each	49,75,200
	<u>49,75,200</u>

- (3) The authorised, issued, subscribed and paid-up share capital of MDSV as on 31st March, 1992, was as under:

AUTHORISED

49,995 Equity Shares of Rs. 100 each	49,99,500
5 6% Non-cumulative, Non-redeemable Preference shares of Rs. 100 each	500
	<u>50,00,000</u>

ISSUED, SUBSCRIBED AND PAID-UP

49,752 Equity Shares of Rs. 100 each	49,75,200
5 6% Non-cumulative, Non-redeemable Preference shares of Rs. 100 each	500
	<u>49,75,700</u>

Upon sub-division of equity shares from face value of Rs. 100 to Rs. 10 during the year 1992-93, and on the redemption of preference shares, the authorised, issued, subscribed and paid-up share Capital of MDSV as on 31st March, 1993, is as under:

AUTHORISED

4,99,950 Equity Shares of Rs. 10 each	49,99,500
5 6% Non-cumulative, Non-redeemable Preference shares of Rs. 100 each	500
	<u>50,00,000</u>

ISSUED, SUBSCRIBED AND PAID-UP

4,97,520 Equity Shares of Rs. 10 each	49,75,200
---------------------------------------	-----------

- (c) The authorised, issued subscribed and paid-up share capital of the Transferee Company as on 31st March, 1992, is as under:

AUTHORISED

10,00,00,000 Equity Shares of Rs. 10 each	100,00,00,000
---	---------------

ISSUED AND SUBSCRIBED

8,55,81,943 Equity Shares of Rs. 10 each	85,58,19,430
PAID-UP	
4,67,62,866 Equity Shares of Rs. 10 each	46,76,28,660
3,88,15,579 Equity Shares of Rs. 10 each issued as fully paid bonus shares	38,81,55,790
8,55,78,445	85,57,84,450
Less: Allotment money in arrears	11,782
Less: Calls in arrears	3,22,220
	85,54,50,448
Add : Forfeited Shares	30,358
	85,54,80,806

After the issue and allotment of rights shares in favour of shareholders and employees during the year 1992-93 the authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31 st March, 1993, is as follows:

AUTHORISED

20,00,00,000 Equity Shares of Rs. 10 each	200,00,00,000
---	---------------

ISSUED AND SUBSCRIBED

17,11,92,421 Equity Shares of Rs. 10 each	171,19,24,210
---	---------------

PAID-UP

13,23,73,344 Equity Shares of Rs. 10 each fully paid-up	132,37,33,440
3,88,15,579 Equity Shares of Rs.10 each issued as fully paid bonus shares	38,81,55,790
17,11,88,923	171,18,89,230
Less : Allotment money in arrears	322
Less : Call money in arrears	1,52,097
	171,17,36,811
Add: Forfeited shares	30,358
	171,17,67,169

(D) Dhivijay and MDSV are wholly owned subsidiaries of AHB.

The Scheme :

- (1) The undertaking of the Transferor Company shall with effect from the Transfer Date and without any further act or deed be deemed to have been transferred to and vested in the Transferee Company pursuant to Section 394(2) of the Act for all the estate and interest of the Transferor Company but subject, nevertheless, to all charges, if any, then affecting the same or any part thereof and on the Transfer Date the Transferor Company shall be deemed to have been amalgamated with the Transferee Company.
- (2) (a) For the purpose of this Scheme the undertaking of the Transferor Company shall include
 - (i) all the assets of the Transferor Company as on the Transfer Date and
 - (ii) all the liabilities of the Transferor Company as on the Transfer Date.
 (b) Without prejudice to the generality of sub-clause (a) hereof, the undertaking of the Transferor Company shall include all rights, privileges, powers and authorities and all property movable or immovable, real, corporal or incorporeal in possession or reversion present or contingent of whatsoever nature and wheresoever situate including in particular all licences and liberties, patents, trade marks and import quotas and telephones and telexes held by the Transferor Company or to which the Transferor Company is entitled and all debts, liabilities and duties of the Transferor Company and all other obligation of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment. PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security therefor after the amalgamation has become effective or otherwise.
- (3) If any suit appeal or other proceedings of whatever nature (hereinafter called "the proceedings") by or against the Transferor Company by pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

- (4) (a) The transfer and vesting of the assets and liabilities under Clauses 1 and 2 hereof and the continuance of the proceedings by the Transferee Company under Clause 3 hereof shall not affect any transactions or proceedings already concluded by the Transferor Company in the ordinary course of business on and after the Transfer Date to the end and intent that the Transferee company accepts on behalf of itself all acts, deeds and things done and executed by the Transferor Company.
- (b) As from the Transfer Date the Transferor Company shall be deemed to have carried on and to be carrying on its business on behalf of and on account of and in trust for the transferee Company until such date as the amalgamation becomes effective in terms of this Scheme.
- (c) All profits accruing to the Transferor Company or losses arising or incurred by it shall for all purposes be treated as the profits or losses of the Transferee Company, as the case may be.
- (5) Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and as effectively as if instead of the Transferor Company The Transferee Company has been a party thereto.
- (6) The Transferor Company hereby undertakes from the Transfer date upto and including the Effective Date:
 - (a) to carry on its business with proper prudence and not, without the prior written consent of the Transferee Company, to alienate, charge or otherwise deal with or dispose of the said undertaking or any part thereof (except in the ordinary course of business) nor to undertake any new business or a substantial expansion of its existing business.
 - (b) not to vary the terms and conditions of employment of its employees.
- (7) Except with the consent of the Board of Directors of the Transferee Company, the Transferor Company shall not -
 - (a) declare any dividend for period commencing from the Transfer Date upto and including the Effective Date.
 - (b) issue or allot any right shares or bonus shares out of its authorised or unissued share capital for the time being.
- (8) In the event of the Transferee Company issuing any shares (equity or preference) or any bonds or debentures (non-convertible or partly or fully convertible) by way of rights or bonus to its shareholders at any time after 1st April, 1993 and before the Effective date, the Transferee Company shall reserve for allotment to the Transferor Company (as the case may be) the higher of:
 - (a) the number of such shares, bonds or debentures to which the Transferor Company would be entitled in terms of such issue if this Scheme of Amalgamation shall not become effective as specified in Clause 14 hereof or shall become null and void as specified in Clause 16 hereof:

and

 - (b) the number of such shares, bonds or debentures to which the shareholders of the Transferor Company would be entitled in terms of such issue, if this Scheme of Amalgamation shall become effective as specified in Clause 14 hereof.

The shares, bonds or debentures so reserved as aforesaid shall be allotted (in the case of bonus shares) or offered (in case of rights issue) to the Transferor Company or to the shareholders of the Transferor Company (as the case may be) on the terms and conditions as those governing such allotment or issue to the shareholders of the Transferee Company save and except that the dates of acceptance, splitting, renunciation, payment and allotment and the date from which such shares, bonds or debentures shall rank for dividend and interest shall be suitably fixed by the Board of Directors of the Transferee Company having due regard to similar dates fixed in respect of the issue or offer thereof to the shareholders of the Transferee Company.
- (9) (a) Upon the transfer of the undertaking of the Transferor Company pursuant to Clause 1 hereof and the amalgamation becoming effective in terms of this Scheme the consideration in respect of such transfer shall subject to the provisions of this Scheme be paid and satisfied by the Transferee Company as follows:
 - (i) The shares held by the Transferor Company in the Transferee Company shall be cancelled.
 - (ii) Simultaneously with the cancellation of the said shares the Transferee Company shall issue and allot to the Transferor Shareholders shares in the Transferee company in the proportion of thirty five Equity Shares of Rs. 10/-each in the Transferee Company credited as fully paid-up for every one Equity Share held by them in the Transferor Company on such date after the Effective Date as the Board of Directors of the Transferee Company may determine.

- (iii) The said Equity Shares in the Transferee Company to be issued to the Transferor Shareholders shall rank pari passu in all respects with the existing Equity Shares in the Transferee Company except that they shall not be eligible for any dividend paid or declared by the Transferee Company prior to the effective date.
- (iv) Members whose names shall appear in the Register of Members of the Transferor Company on such date (after the Effective Date) as the Board of Directors of the Transferee Company may determine, shall surrender their share certificates for cancellation thereof to the Transferee Company. In default, upon the new shares in the Transferee Company being issued and allotted by it to the Transferor shareholders whose names shall appear on the Register of Members of the Transferor Company on such date as aforesaid, the Share Certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been cancelled.
- (10) The Transferee Company shall cause a Special Resolution to be passed pursuant to Section 81(1A) of the Act for the offer and allotment of Equity Shares in the Transferee company to the Transferor Shareholders in accordance and subject to the provisions of this Scheme.
- (11) Subject to an order being made by the High Court at Bombay under Section 394 of the Act, the Transferor Company shall be dissolved without winding up on the date of the fulfillment of the conditions set out in Clause 14 hereof.
- (12) All employees of the Transferor Company who are in employment of the Transferor Company on the Effective Date in terms of this Scheme shall as from such date become the employees of the Transferee Company on the basis that their services have not been interrupted by the vesting of the undertaking of the Transferor Company in the Transferee Company under this Scheme and that the terms and conditions of service applicable to them on the Effective Date as aforesaid will not in anyway be less favourable to them than those applicable to them immediately before the Effective Date as aforesaid.
- (13) The Board of Directors of the Transferor Company and of the Transferee Company acting jointly or any person or persons duly authorised by them respectively may consent on behalf of all concerned to any modification of or addition to this Scheme or to any condition which the High court at Bombay may think fit to impose and may do all acts, deeds, matters, and things necessary or usual for carrying this Scheme into effect.
- (14) The Scheme is conditional upon the following approvals and the amalgamation shall be deemed to be effective on the date on which the last of such approvals. shall have been obtained.
 - (a) The sanction of this Scheme by the High Court at Bombay under Section 391 of the Act and the appropriate orders being made by the said High Court pursuant to Section 394 of the Act for the amalgamation under , this Scheme, and for the implementation thereof.
 - (b) The requisite approval of the Reserve Bank of India under the provisions of Foreign Exchange Regulation Act, 1973 for the issue of shares in the Transferee Company to the non-resident shareholders of the Transferor Company in accordance with the provisions of the Scheme being obtained.
 - (c) The Transferor Company and/or the Transferee Company shall also , obtain such other consents or approvals as may be required under any statute or contract not specifically referred to in this Scheme.
- (15) All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading upto the Scheme and of carrying out and completing the terms and provisions of this and of and incidental to the completion of amalgamation of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.
- (16) In case this Scheme is not sanctioned by the High Court at Bombay for any reason whatsoever or for any other reason this Scheme cannot be implemented before 31st January, 1994, or within such further period or periods as may be agreed upon between the Transferor Company (by its Directors) and the Transferee Company (by its Directors) this Scheme shall become null and void and in that event no rights and liabilities shall accrue to or be incurred inter-se by the parties in the terms of this scheme.

Certified to be a true Copy
This 16th day of Oct. 1993.

sd/-

for Prothonotary and Senior Master

**Copy of the Bombay High Court Order obtained for the merger of GAL Offshore Services Limited
with The Great Eastern Shipping Company Ltd.**

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 151 OF 1995
CONNECTED WITH
COMPANY APPLICATION NO. 68 OF 1995

In the matter of Companies Act, 1956

In the Matter of Sections 391 to 394 of the Companies Act, 1956;

- And -

In the matter of The Great Eastern Shipping Company Limited, a Company within the meaning of Section 3 of the Companies Act, 1956 and having its Registered Office at Hongkong Bank Building, 52-60 Mahatma Gandhi Marg, Bombay - 400 001.

- And -

In the matter of scheme of Amalgamation of GAL Offshore Services Limited with The Great Eastern Shipping Company Ltd.

The Great Eastern Shipping Company Limited a Company within the meaning of Section 3 of the Companies Act, 1913 and having its Registered Office at Hongkong Bank Building, 52-60 Mahatma Gandhi Marg, Bombay - 400 001.

..... Petitioners

Coram : Justice D. R. Dhanuka

Date : 30th November, 1995

UPON the Petition of The Great Eastern Shipping Company Limited, the Petitioner Company abovenamed, solemnly declared on 28th day of March, 1995 and presented to this Hon'ble Court on 29th day of March, 1995 sanctioning of the Scheme of Arrangement embodied in the Scheme of Amalgamation of Gal Offshore Services Limited (hereinafter called "the Transferor Company") with The Great Eastern Shipping Company Limited (hereinafter called "the Transferee Company") so as to be binding on members, employees and creditors of the Transferee Company and the Transferor Company and for other consequential reliefs as mentioned in the said Petition AND the said Petition being this day called for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. P. R Naware, the Company Secretary of the Transferee Company, solemnly affirmed on 28th day of March, 1995 verifying the said petition AND UPON READING the Order dated 8th February, 1995 passed by this Hon'ble Court in Company Application No. 68 of 1995 directing the Transferee Company to hold meeting of its Equity Shareholders to obtain their approval to the Scheme of Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company AND UPON READING the Chairman's Report dated 27th day of March, 1995 as to the result of the said meeting of the Transferee Company held on 20th March, 1995 approving with the requisite majority the Scheme of Amalgamation with the change in the share exchange ratio from 5:2 to 7:4 AND UPON PERUSING the Order dated 29th March, 1995 of the Hon'ble Court admitting the Petition and dispensing with the notice to the Creditors of the Transferee Company AND UPON READING the further affidavit of Mr. P. R Naware the Company Secretary of the Transferee Company, solemnly affirmed on the 16th October, 1995 seeking dispensation to convene a fresh meeting of the Equity Shareholders to obtain their approval to the proposed amendment to the share exchange ratio from 7:4 to 1:1 AND UPON READING the Order dated 17th October, 1995 inter alia dispensing with a fresh meeting of the Equity Shareholders of the Transferee Company to obtain their approval to the amendment to the Scheme of Amalgamation AND UPON HEARING Mr. K. S. Cooper, Counsel with Mr. Virajeet V. Tulzapurkar, Counsel, instructed by M/s. Amarchand & Mangaldas & Hiralal Shroff & Co., Advocates for the Transferee Company and Mr. R. C. Master Panel Counsel for the Regional Director Department of Company Affairs, Maharashtra, Bombay who appears in pursuance of Notice dated 31st March, 1995 of the Petition under section 394A of the Company Act, 1956 and further notice dated 19th October, 1995 pursuant to the Order dated 17th October, 1995 submits to the orders of the Court on behalf of the Regional Director, Department of Company Affairs, AND no other person entitled to appear at the hearing of the said Petition appearing this day either in support of the Patition or to show cause against the same AND THIS COURT DOTH HEREBY allow the amendments to the Scheme by submitting share exchange ratio from 7:4 to 1:1 in clause 10(a) of the draft Scheme annexed to the Petition AND THIS COURT DOTH FURTHER considered the Scheme as amended AND THIS COURT DOTH sanction the Scheme of Arrangement embodied in the Scheme of Amalgamation of The Transferor with the Transferee as per the Scheme of Amalgamation being Exhibit "C" to the Petition and annexed as Schedule hereto as amended AND THIS COURT DOTH FURTHER ORDER that the said Scheme as amended shall be binding on the members creditors and employees of the Transferor Company and the Transferee Company with effect from 1st day of April, 1995 AND THIS COURT DOTH FURTHER ORDER THAT all the legal proceedings now pending by or against the Transferor Company be continued by or against the Transferee company AND THIS COURT DOTH FURTHER ORDER THAT the Transferee Company do within 30 days of the sealing of the Order, cause a certified copy of this Order to be delivered to the Registrar of Companies, Maharashtra Bombay for registration and on such certified copy of the Order being so delivered the Registrar of Companies, Maharashtra shall consolidate both the file and the Scheme become effective AND THIS COURT DOTH FURTHER ORDER that the parties to the Scheme of Amalgamation

and any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any direction that may be necessary in regard to the working of the Scheme of Amalgamation as amended and as sanctioned herein and annexed as Schedule hereto AND THIS COURT DOTH HEREBY LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 500/- (Rupees Five Hundred only) to the Regional Director Department of Company Affairs, Bombay towards the costs of the said Petition. WITNESS SHRI MANHARLAL BHIKHALAL SHAH, CHIEF JUSTICE at Bombay aforesaid this 30th day of November, 1995.

By the Court.

For Prothonotary & Senior Master,

High Court, Bombay

Order Sanctioning the Scheme of Amalgamation under section 391 to 394 of the Companies Act, 1956 drawn on the application of M/s. Amarchand & Mangaldas & Hiralal Shroff & Co., Advocates & Solicitors for the Petitioners having their office at Lentin Chamber, 3rd Floor, Dalal Street, Fort, Bombay - 400 023.

SCHEDULE
SCHEME OF AMALGAMATION
OF

GAL OFFSHORE SERVICES LIMITED

Transferor Company

THE GREAT EASTERN SHIPPING COMPANY LIMITED

Transferee Company

1. This Scheme of Amalgamation is presented for the amalgamation of GAL Offshore Services Limited (GAL) having its Registered Office at Popular Press Building, Ground Floor, 35-C, Tardeo Road, Bombay - 400 034. (hereinafter called "the Transferor Company") with The Great Eastern Shipping Company Limited (GESCO), having its Registered Office at Hongkong Bank Building, 52-60, Mahatma Gandhi Road, Bombay – 400 001 (hereinafter called "the Transferee Company"), pursuant to the relevant provisions of the Companies Act, 1956 (hereinafter called "the said Act").
2. (a) With effect from the commencement of 1st April, 1995 (hereinafter called "the Appointed Date"), and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the undertaking and entire business and all the properties, assets, Offshore drilling rigs, construction barge, towing and anchor handling tugs sub-sea pipeline burial plow and saturation diving system, capital, works in progress, current assets, investments, powers, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, rights, titles, interest, benefits and advantages of whatsoever nature and wheresoever situate, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company including but without being limited to all patents, trademarks, trade names and other industrial rights of any nature whatsoever and licences in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, telephones, facsimiles connections and installations, utilities, electricity and electronic and other services, reserves, provisions, funds, benefit of all agreements arrangements and all other interests arising to the Transferor Company (hereinafter collectively referred to as "the said Assets") shall be transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company, pursuant to the provision of Section 394 and other relevant provisions of the said Act for all the estate, right, title and interest of the Transferor Company therein, subject nevertheless to the mode of transfer and vesting as provided hereunder.
 - (b) The transfer / vesting as aforesaid shall be subject to existing charges / hypothecation / mortgage (if any, as may be subsisting) over or in respect of the said assets or any part thereof; Provided, however, any reference in any security documents or arrangement to which the Transferor Company is a partly wherein the assets of the Transferor Company offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to that undertaking or assets of the Transferor Company as are vested in the Transferee Company by virtue of the Sub-clause (a) hereof to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any of the assets or to any of the other assets, units, or divisions of the Transferee Company, unless specifically agreed to, subject in either case to the consents and approvals of the existing Secured Creditors of the Transferee Company.
 - (c) It is expressly provided that in respect of such of the said Assets as are movable in nature of are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.
 - (d) In respect of such of the said assets other than those referred to in sub-para (c) above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company on the Appointed Date subject and pursuant to an orders of the Bombay High Court under Section 394 of the said Act.
3. With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Company (hereinafter referred to as "the said Liabilities") shall also be and stand transferred or deemed to be transferred, without further act, instrument or deed to the Transferee Company so as to become as and from the Appointed Date, the debts, liabilities, duties and obligation of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.
4. This Scheme, though effective from the Appointed Date shall be operative from the last of the following dates or such other dates as the Court may direct, namely:
 - (a) the date on which the last of all the consents, approvals, premissions, resolutions, actions, sanctions and orders as are hereinafter referred to have been obtained, passed, or completed and
 - (b) the date on which certified copies of the Order of the Bombay High Court sanctioning the Scheme, are filed with the Registrar of Companies Bombay, Maharashtra; and such date shall be hereinafter referred to as "the Effective Date".

5. With effect from the Appointed Date upto the date on which this Scheme finally takes effect (viz., the Effective Date) :
- the Transferor Company shall carry on and be deemed to have carried on all their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the said Assets for and on account of and in trust for the Transferee Company;
 - all the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue on the profits or incomes or expenditure or losses of the Transferee Company, as the case may be;
 - the Transferor Company shall carry on their business and activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or otherwise deal with the said Assets or any part thereof, except in the ordinary course of business, without the prior consent of the Transferee Company or pursuant to any pre existing obligation undertaken by the Transferor Company prior to the Appointed Date;
 - the Transferor Company shall not vary the terms and conditions of employment of its employees.
 - Save as specifically provided in this Scheme, neither the Transferor Company nor the Transferee Company shall hereafter make any change in their capital structure (paid-up Capital) either by any increase, (by a fresh issue of rights shares, equity or preference shares, convertible debentures or otherwise) by decrease, reduction, reclassification, sub-division, or consolidation, reorganisation or in any other manner which may in any way affect the share exchange ratio as provided herein except by consent of the Board of Directors of the companies.
6. All suits, actions and proceedings of whatsoever nature by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising against the Transferee Company.
7. Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Company, the transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any multipartite agreements arrangements, confirmations or novations to which the Transferor Company will, if necessary also be a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.
8. The transfer and vesting of the said Assets and the said Liabilities of the Transferor Company by the Transferee Company and the continuance of all the contracts of proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said Assets or the said Liabilities already concluded by the Transferor Company on or after the Appointed Date to the end and intent that the Transferee Company accept on behalf of itself, all acts, deeds and things done and executed by the Transferor Company.
9. (a) The share capital of the Transferor Company as at 31 st December, 1994 is as under: -

AUTHORISED

4,00,00,000 Equity Shares of Rs. 10/- each	40,00,00,000/-
--	----------------

ISSUE, SUBSCRIBED & PAID-UP

1,69,73,115 Equity Shares of Rs. 10/- each fully paid-up	16,97,31,150/-
--	----------------

- (b) The Share capital of the Transferee Company as at 31st December, 1994 is as under: -

AUTHORISED

50,00,00,000 Equity Shares of Rs. 10/- each	500,00,00,000/-
---	-----------------

ISSUE

27,96,25,057 Equity Shares of Rs. 10/-each	279,62,50,570/-
--	-----------------

SUBSCRIBED

27,89,32,943 Equity Shares of Rs. 10/- each	278,93,29,430/-
---	-----------------

PAID-UP

27,89,29,445 Equity Shares of Rs. 10/- each fully paid up	278,92,94,450/-
---	-----------------

<u>Less</u> : Allotment money in arrears	322/-
--	-------

278,92,94,128/-

<u>Less</u> : Calls in arrears	67,325/-
--------------------------------	----------

278,92,26,803/-

<u>Add</u> : Forfeited Shares	30,358/-
-------------------------------	----------

278,92,57,161/-

10. (a) Upon the Scheme becoming finally effective, in consideration of the said Assets and the said Liabilities of the Transferor Company, being the assets and liabilities of the Transferee Company, in accordance and in terms of this Scheme, the Transferee Company shall, without any further act, obligation or deed, issue and allot to the Shareholders of the Transferor Company One Equity Share of Rs. 10/- each in the Transferee Company, credited as fully paid up for every one Equity Shares of Rs. 10/- each, held by them in the Transferor Company on such date (Record Date) after the Effective Date as the Board of Directors of the Transferee Company may determine.
- (b) No fractional certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the members of the Transferor Company may be entitled on issue and allotment of the shares by the Transferee Company as aforesaid. The Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the members of the Transferor Company may be entitled on issue and allotment of the shares by the Transferee Company as aforesaid and thereupon issue and allot shares in lieu thereof to a Director or an Officer of the Transferee Company with the express understanding that such Director or Officer to whom shares be allotted, shall sell the same in the market at the best available price in one or more lots or by private sale/placement or by public sale/auction as deemed fit (the decision of such Director or Officer as the case may be as to the timing and method of the sale and the price at which such sale has been given effect to in that behalf shall be final) and pay to the Transferee Company, the net sale proceeds thereof, and upon the receipt of the sale proceeds in respect of each such sale, transfer the share or shares to the name of the approved purchaser. The Transferee Company shall hold the net sale proceeds of all such shares after defraying therefrom all costs, charges and expenses of such sale. The Transferee Company shall thereafter distribute such sale proceeds to the members of the Transferor Company in proportion to their fractional entitlements.
- (c) For the purpose as aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain any approvals including that of the Reserve Bank of India and other concerned authorities, for the issue and allotment by the Transferee Company to the respective members of the Transferor Company, the Equity Shares in the said reorganised share capital of the Transferee Company in the ratio as aforesaid and to pay the proportionate net sale proceeds of fractional entitlement as provided above.
- (d) Upon this Scheme becoming finally effective, all shareholders of the Transferor Company if so required by the Transferee Company shall surrender their share certificates for cancellation thereof to the Transferee Company. Notwithstanding anything to the contrary, upon the issue and allotment of new shares in the Transferee Company to the eligible shareholders of the Transferor Company, whose names shall appear on the Register of Members of the Transferor Company on such Record Date fixed as aforesaid, the share certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been automatically cancelled and be of no effect, on and from such Record Date and the Transferee Company may at its option instead of requiring the surrender of the share certificates, as above, directly issue and despatch new share certificates of the Transferee Company in lieu thereof.
- (e) All mandates or other instructions in force at the close of business on the Effective Date relating to the payment of dividends on the equity shares of the Transferor Company shall unless and until revoked be deemed to be valid and subsisting mandates or instructions to the Transferee Company in relation to the corresponding Equity Shares of the Transferee Company to be issued and allotted pursuant to the Scheme.
- (f) Except with the consent of the Board of Directors of the other company neither the Transferor Company nor the Transferee Company shall declare any dividend or issue/allot any bonus shares between the Appointed Date and the Effective Date.
- (g) The Equity Shares of the Transferee Company to be issued and allotted to the Shareholders of the Transferor Company as provided in Clause 10 hereof, shall rank *pari passu* in all respect with the Equity Shares of Transferee Company, including entitlement to dividend in respect of all dividends declared after the Effective Date and shall not carry any restrictions save as set out in the Articles of the Transferee Company. The holder of the shares of the Transferor Company and the Transferee Company shall, save, as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive, dividends from the respective companies of which they are members till the date this Scheme finally takes effect i.e. the Effective Date. It is clarified that in respect of shares of the Transferee Company issued in exchange / lieu of shares of the Transferor Company in accordance with the provisions of Clause 10(a) hereof, no dividend shall be payable by the Transferee Company in respect of the period for which dividend has been declared and paid by the Transferor Company.
- (h) It is clarified, however, that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any member of a Transferor Company or Transferee Company to demand or claim or be entitled to any dividend which subject to the provisions of the said Act, shall be entirely in the discretion of the Board of Directors and the approval of the shareholders of the respective Companies.
11. Upon the Transfer of the assets and liabilities of the Transferor Company in the Transferee Company, the Shares held by the Transferee Company and its nominees in the Transferor Company shall be cancelled.
12. (a) All employees of the Transferor Company in service on the date immediately preceding the date on which this Scheme finally takes effect i.e. the Effective Date shall become the employees of the Transferee Company on such date without any break or interruption in service and on the basis of continuity of service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Company as on the said date. The position, rank and designation of the employees would be decided by the Transferee Company.

- (b) It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the employees of the Transferor Company are concerned, upon the Scheme becoming finally effective, the Transferee Company shall, stand substituted for the Transferor Company for all purposes whatsoever related to the administration management or operation of such Schemes or Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions of such Schemes or such Funds as per the terms provided in the respective Trust Deeds. It is the end and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid Funds or Schemes and if necessary the names of the aforesaid Funds or Schemes will be suitably changed. Such Funds or Schemes of Transferor Company may be amalgamated with similar Funds or Schemes or the Transferee Company if the Transferee Company considers so desirable or deems fit for the smooth administration management and operation and uniformity of such funds or scheme, so however, that such Funds or Schemes do not become less favourable to the employees of transferor Company with reference to those on the date preceding the Effective Date.
13. It is further provided that upon the Scheme coming into effect and subject to the provisions herein, the excess of the value of the Net Assets of the Transferor Company over the paid up value of the shares of the Transferee Company to be issued and allotted to the shareholders of the Transferor Company, pursuant to the provisions of clause 10 hereof shall be accounted for and dealt with in the Books of the Transferee Company as follows:
- (a) An amount equal to the balance lying to the credit of Capital Reserve in the Books of Transferor Company shall be credited by the Transferee Company in an account to be styled - "Capital Reserve".
 - (b) An amount equal to the balance lying to the credit of Profit and Loss Account and the General Reserve in the Books of Transferor Company shall be credited by the Transferee Company to its General Reserve and shall constitute the Transferee Company's Free Reserve as effectively as if the same were created by the Transferee Company out of its distributable profits.
 - (c) An amount equal to the balance lying to the credit of Investment Allowance Reserve in the Books of Transferor Company shall be credited by the Transferee Company to its Investment Allowance Reserve and shall constitute the Transferee Company's Investment Allowance Reserve as if the same was created by the Transferee Company.
 - (d) The balance shall be credited by the Transferee Company to General Reserve and shall be considered as a Free Reserve, forming part of the Net Worth of the Transferee Company.
14. With effect from the Appointed Date, the Memorandum of Association of the Transferee Company shall stand altered and amended by inserting following clauses as clause Nos. 23, 24 and 25, namely : -
- "23. To promote, manage, assist, render services to and to invest in projects relating to offshore and onshore gas oil exploration, prospecting, development and production, including but without being limited to, brokering of work contracts, construction contracts, exploration licences and financing agreements and arrangements in India in part of the world.
24. To acquire, purchase, sell, own, lease, charter, let out to hire, administer, manage, control, operate, construct, repair, alter, equip, furnish, fit out, decorate, improve and otherwise deal in offshore and onshore rigs and platforms, works, buildings, conveniences and equipments of all kinds, including equipments for seismic, electrologging, mudlogging, perforation, cementing production, maintenance, diving and construction, irrigation reclamations, sewage, drainage and sanitary works, water, gas, oil, motor, electrical, telephone, telegraphic and power supply works connected with the oil and gas industry.
25. To acquire, purchase, sell, own lease, charter, let out to hire, administer, manage, control, operate, construct, repair, alter, equip, furnish, fit out, decorate, improve and otherwise deal in ships, vessels, barges and sailing craft of all kinds including supply vessels, anchor handling tugs, multi support vessels, diving support vessels, pipe laying barges, non-destructive testing vessels, oil and gas production vessels, cargo vessels, storage vessels and passenger vessels."
- It is further provided that the Transferee Company shall have requisite authority and permissions, without any further act to commence or continue the carrying on of such business as presently carried on by the Transferor Company.
15. The Transferor Company and the Transferee Company shall also with all reasonable despatch make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act respectively to the High Court of Judicature at Bombay for sanctioning of this Scheme and for the dissolution of the Transferor Company without winding up under the provisions of law.
16. The Transferor Company (by its Directors) and the Transferee Company (by its Directors) are hereby empowered and authorised to assent from time to time to any modifications or amendments or substitution of this Scheme or of any conditions or limitations which the Court and/or any authorities under law may deem fit to approve of or impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things, necessary for putting the Scheme into effect.
17. For the purpose of giving to this Scheme or to any modifications or amendments or substitution thereof, the Directors of the Transferee Company may give and are authorised to give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise.

18. This Scheme is specifically conditional upon and subject to :
- (a) the approval of and agreement of the Scheme by the requisite majorities of the Equity shareholders of the Transferor Company and the Transferee Company as may be directed by the Bombay High Court on the application made for directions under Section 391 of the said Act for calling meeting and necessary resolutions being passed under the said Act for the purpose;
 - (b) the sanction of the High Court of Judicature at Bombay being obtained under Sections 391 and 394 and other applicable provisions of the said Act;
 - (c) requisite approval of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 and requisite sanction or approval under any law or from Authority concerned being obtained and. granted in respect of any matter for giving effect to the said Scheme or for the issuance of shares in the Transferee Company to the non resident shareholders of the Transferor Company in accordance with provisions of the Scheme.
19. In the event of any of the said sanctions and approvals referred to in the preceding Clause . 18 above not being sanctioned by the Bombay High Court and/or the order or orders not being passed as aforesaid before 31st December, 1996 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors (and which the Board of Directors of the Companies are hereby empowered and authorised to agree to and extend from time to time without any limitations), the Scheme of Amalgamation shall stand revoked, cancelled and be of no effect and become 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 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 of Amalgamation.
20. (a) All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the said undertaking of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.
- (b) The Transferor Company shall be dissolved without winding up, subject to an order being made by the Bombay High Court under Section 394 of the Companies Act, 1956.

Order Sanctioning the Scheme of Arrangement

Dated this 30th day of November, 1995.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO 715 OF 1999

CONNECTED WITH

COMPANY APPLICATION NO.256 OF 1999

In the matter of the Companies Act, 1956.

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of The Great Eastern Shipping Company Limited an existing Company under Section 3 of the Companies Act, 1956, and having its Registered Office at 81, D.N.Road, Mumbai – 400 001.

AND

In the matter of Scheme of Arrangement between The Great Eastern Shipping Company Limited and GESCO Corporation Limited and their respective shareholders and creditors.

The Great Eastern Shipping Company Limited, an existing company under Section 3 of the Companies Act, 1956, and having its Registered Office at 81, D.N.Road, Mumbai – 400 001.

..... Petitioner Company

Coram : A.P.Shah J.

Dated : August 26, 1999, August 31, 1999 & September 10, 1999

UPON the Petition of The Great Eastern Shipping Company Limited, the Petitioner Company abovenamed, presented to this Hon'ble Court on the 13th day of July, 1999 for sanctioning the arrangement as embodied in the Scheme of Arrangement which is a demerger of the undertaking comprising of the business activities of managing, developing and operating of commercial complexes/properties including owning and/or operating business centers more specifically defined as "Demerged Undertaking" in the "Scheme" (hereinafter called the "Demerged Undertaking") of The Great Eastern Shipping Company Limited (hereinafter called the "Petitioner Company") and GESCO Corporation Limited (hereinafter called the "Resulting Company") so as to be binding on the Petitioner Company and all the members and creditors of the Petitioner Company and for other consequential reliefs as mentioned in the said Petition and the said Petition being this day called on for hearing and final disposal **AND UPON READING** the said Petition and affidavit of Mr.Y.Hari Hara Subramaniam, Assistant Company Secretary of the Petitioner Company, solemnly affirmed on the 13th day of July, 1999, verifying the said Petition **AND UPON READING** the affidavit of Mr.Sanjay Pulekar, solemnly affirmed on the 19th day of August, 1999 proving publication of Notice of hearing of the Petition in Free Press Journal (Mumbai Edition) and Navashakti both dated the 10th August 1999 pursuant to the Order dated the 15th July, 1999, **AND UPON READING** the affidavit of Mr. Sanjay Pulekar, solemnly affirmed on the 22nd July, 1999 proving service of the Notice issued under Section 394(A) of the Companies Act, 1956 upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai **AND UPON READING** the Order dated 6th day of May, 1999, passed by this Hon'ble Court in Company Application No.256 of 1999 whereby the Petitioner Company was directed to convene separate meetings of the Equity Shareholders, Secured Creditors (including Debentureholders) and Unsecured Creditors of the Petitioner Company for the purpose of considering and if thought fit, approving, with or without modification, the arrangement embodied in the Scheme of Arrangement which is a demerger between the Petitioner Company and the Resulting Company and their respective shareholders and creditors **AND UPON READING** the affidavit dated the 18th June, 1999 of Mr.K.M.Sheth, Chairman, of the Meetings of the Equity Shareholders, Secured Creditors (including Debentureholders) and Unsecured Creditors of the Petitioner Company proving dispatch of individual notices to the Equity Shareholders, Secured Creditors (including Debentureholders) and Unsecured Creditors of the Petitioner Company, and also proving publication of the notice convening meetings in the issue of News papers viz. "Free Press Journal" (Mumbai Edition) and Navashakti both dated the 10th day of June, 1999, pursuant to the Order dated 6th day of May 1999 **AND UPON READING** the Chairman's Report dated 12th day of July 1999, as to the result of the said meetings of the Equity Shareholders, Secured Creditors (including Debentureholders) and Unsecured Creditors of the Petitioner Company **AND UPON READING** the affidavit of Mr.K.M. Sheth dated 12th day of July 1999 verifying the Chairman's Report **AND IT APPEARS** from the said Report of the Chairman of the meetings of the Equity Shareholders, Secured Creditors (including Debentureholders) and Unsecured Creditors of the Petitioner Company that the Scheme of Arrangement which is a demerger of the Undertaking of the Petitioner Company to the Resulting Company has been approved unanimously by the Equity Shareholders, Secured Creditors (including Debentureholders) and Unsecured Creditors of the Petitioner Company present and voting at their respective meetings **AND UPON PERUSING** the draft amendment for change of name of the Resulting Company so as to read the said Resulting Company as "GESCO Corporation Limited" and for replacing Schedule 1 of the Scheme by incorporating fresh Schedule 1 as tendered in **AND UPON HEARING** Mr.Virag V. Tulzapurkar Counsel, instructed by M/s.Amarchang & Mangaldas & Suresh A. Shroff & Co. Advocates for the Petitioner Company and Mr.R.P. Singh, Company Prosecutor for the Regional Director, Department of

Company Affairs, Maharashtra, Mumbai who appears in pursuance of the Notice dated 20th day of July, 1999 issued under Section 394-A of the Companies Act, 1956, and submits to the Order of the Court and no other person or persons entitled to appear at the hearing of the said Petition appearing this day, either in support of or show cause against the said Petition **THIS COURT DOTH HEREBY** allow the amendments to be carried out in the Petition in terms of the draft amendment and replacing Schedule 1 to the Scheme by incorporating fresh Schedule 1 as tendered in **AND THIS COURT DOTH HEREBY** sanction the Scheme of Arrangement which is a demerger between the Petitioner Company and the Resulting Company as set forth in Exhibit "D" to the Petition and annexed as Schedule hereto **AND THIS COURT DOTH HEREBY DECLARE** that the said Scheme with effect from 1st day of April, 1999 shall be binding on the Petitioner Company, all the members and creditors of the Petitioner Company and of the Resulting Company **AND THIS COURT DOTH FURTHER ORDER** that all the assets, properties and rights of the Petitioner Company in the Demerger Undertaking including properties described in Schedule 1 to the Scheme hereto shall be, and stand transferred to and vested in the Resulting Company by operation of law, without any further act or deed **AND THIS COURT DOTH FURTHER ORDER THAT** the Apartments in relation to the units at Great Eastern Centre, Nehru Place, New Delhi and Great Eastern Plaza, Bhikaji Cama Place, New Delhi as mentioned in item Nos. 1 & 2 of the Schedule 1 to the Scheme shall be, and stand transferred to and vested in the Resulting Company by operation of law, without any further act or deed and that this order along with the Scheme annexed hereto be treated as deeds of apartment in accordance with Delhi Apartment Ownership Act, 1986 **AND THIS COURT DOTH FURTHER ORDER** that all the liabilities, debts and obligations of the Petitioner Company in relation to the Demerged Undertaking as described in the Scheme shall be, and stand transferred to and vested in the Resulting Company, without any further act or deed **AND THIS COURT DOTH FURTHER ORDER** that all legal proceedings pending by or against the Petitioner Company and relating to the Demerged Undertaking shall be continued by or against the Resulting Company **AND THIS COURT DOTH FURTHER ORDER** that in consideration of demerger of Demerged Undertaking of Petitioner Company to Resulting Company in terms of the Scheme, the Resulting Company, shall without any further act or deed and without any further payment, issue and allot on a proportionate basis to each member of the Petitioner Company 1 (one) Equity Share in Resulting Company of Rs.10/- each credited as fully paid up in cash for every 10 (ten) Equity Shares of Rs.10/- each held by such member in the Petitioner Company **AND THIS COURT DOTH FURTHER ORDER** that the Petitioner Company do within 30 days of the sealing of this order, cause a certified copy of this order to be lodged with the Registrar of Companies, Maharashtra, Mumbai for registration **AND THIS COURT DOTH FURTHER ORDER** that the parties to the Scheme of Arrangement and any other person or persons interested therein, shall be at liberty to apply to this Court for any direction or order that may be necessary in regard to the working of the Arrangement embodied in the sanctioned Scheme or the vesting of the Demerged Undertaking or any part thereof **AND THIS COURT FURTHER** granted liberty to the Petitioner Company to present the minutes for approval of the Court for reduction of the Share Capital **AND WHEREAS BY ORDER** dated 31st August 1999 this Court recorded the statement of Mr. Virag Tulzapurkar viz. that in view of the separate procedure contemplated under Sections 101 to 103 of the Companies Act, 1956 not being required to be followed, the provisions of Section 103 of the Companies Act, 1956 relating to approval and registration of the Minute of reduction of share capital does not apply **AND WHEREAS BY** Order dated 10th September 1999 this Court rectified the earlier Order dated 26th August, 1999 by correcting the word "amalgamation" as "arrangement" and by deleting the word "Private" from the 4th line of Clause 3 of the said Order **AND THIS COURT DOTH LASTLY ORDER** directing the Petitioner Company to pay sum of Rs.1000/- towards cost of the Petition to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai, **WITNESS SHRI YOGESH KUMAR SABHARWAL**, Chief Justice of Bombay aforesaid this 26th day of August, 1999, 31st day of August, 1999 and 10th day of September, 1999.

By the Court

Sd/- A. P. Kothari

For Prothonotary and Senior Master

SEAL

Sd/- A. P. Kothari

SEALER

This 21st day of September 1999

Order sanctioning the Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 drawn on the application of M/s. Amarchand & Mangaldas & Suresh A. Shroff & Co. Advocates for the Petitioner Company having their Office at Lentin Chambers, Dalal Street, Fort, Mumbai – 400 023.

SCHEDULE.....

SCHEDULE
SCHEME OF ARRANGEMENT
BETWEEN
THE GREAT EASTERN SHIPPING COMPANY LIMITED ... Demerged Company
GESCO CORPORATION LIMITED ... Resulting Company
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

WHEREAS

- (A) The Demerged Company is engaged in various businesses including shipping, offshore and property. The property business includes distinct business activities relating to (a) development and sale of property and (b) relating to managing, developing and operating of commercial complexes/properties including owning and/or operating business centers.
- (B) This Scheme of Arrangement (hereinafter referred to as the "Scheme") which is a demerger provides for the transfer of the business activity of managing, developing and operating of commercial complexes/properties including owning and/or operating business centers (defined hereinafter as the Demerged Undertaking) of the Demerged Company to the Resulting Company, and in consideration thereof issue of equity shares by the Resulting Company to the shareholders of the Demerged Company on a proportionate basis, pursuant to Section 394 and other relevant provisions of the Act.
- (C) The Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith including reorganization of capital of the Demerged Company.

SCHEME

PART 1- GENERAL

1. Definitions

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

- (A) **"Act"** means the Companies Act, 1956 or any statutory modification or re-enactment thereof;
- (B) **"Appointed Date"** means April 1, 1999;
- (C) **"GDRs"** means global depository receipts issued or to be issued pursuant to the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable law, and where appropriate shall include the underlying equity shares relating thereto;
- (D) **"Demerged Undertaking"** means the undertaking of the Demerged Company comprising the business activity of managing, developing and operating of commercial complexes/properties including owning and/or operating business centers, being carried on by the Demerged Company on a going concern basis and consisting inter alia of the units described in Schedule 1 hereto, including all units of administrative properties specified in Schedule 1 hereto relating to or necessary for the aforesaid units and shall in relation to the aforesaid undertakings and/or units mean and include (without limitation):
 - (a) all assets wherever situate, whether movable or immovable, tangible or intangible, including any plant and machinery, buildings, offices, furnitures, fixtures, office equipment, appliances, accessories together with all present and future liabilities (including contingent liabilities) appertaining to or relatable thereto;
 - (b) all permits, quotas, rights, entitlements, industrial and other licences, approvals, consents, municipal permissions, tenancies in relation to office and/or residential properties for the employees, offices, goodwill, intellectual property, investments, cash balances, the benefit of any deposits, financial assets, funds belonging to or proposed to be utilized for the Demerged Undertaking, bank balances, bank accounts, privileges, all other rights and benefits, licences, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking;
 - (c) all earnest moneys and/or security deposits paid or received by the Demerged Company in connection with or relating to the Demerged Undertaking; and
 - (d) all necessary records, files, papers, engineering and process information, computer programmes, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records in connection with or relating to the Demerged Undertaking;

- (E) **“Effective date”** means the date on which all the conditions and matters referred to in Clause 35 hereof have been fulfilled and approvals and consents referred to therein have been obtained. References in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this scheme” shall mean the Effective Date;
- (F) **“GCPL”** or the **“Resulting Company”** means GESCO Corporation Limited, a company within the meaning of the Act and having its registered office at World Trade Centre, 18th Floor, Cuffe Parade, Mumbai-400 005;
- (G) **“GESCO”** or the **“Demerged Company”** means The Great Eastern Shipping Company Limited, a company incorporated under the Act and having its registered office at Ocean House, 81, D. N. Road, Mumbai-400 001;
- (H) **“Record Date”** means the date to be fixed by the Board of Directors or a committee thereof of the Demerged Company for purpose of determining the members of the Demerged Company to whom shares will be allotted pursuant to this Scheme or the capital would be reorganized in terms of Clause 16 hereof;
- (I) **“Remaining Business”** means all the business and the divisions of the Demerged Company other than the Demerged Undertaking; and
- (J) **“Scheme”** means this Scheme of Arrangement.

2. Share Capital

- (a) The share capital structure of the Demerged Company as on March 31, 1999 was as follows:

	Rs. In crores
Authorised	
50,00,00,000 Equity Shares of Rs.10 each	500.00
	<u>500.00</u>
Issued	
28,82,31,272 Equity Shares of Rs.10 each fully paid-up*	288.23
Subscribed	
28,76,04,838 Equity Shares of Rs.10 each fully paid-up	287.60
Paid-Up	
28,76,01,340 Equity Shares of Rs.10 each fully paid-up	
Less: Calls in arrears ... Rs. 41,609/-	<u>287.60</u>
Add: Forfeited shares ... Rs. 30,358/-	

- *1. Includes 2,19,50,650 equity shares represented by GDRs issued pursuant to the offering circular dated February 17, 1994.
- *2. 5,01,833 equity shares of the Demerged Company which are held in abeyance under the provisions of Section 206A of the Act or otherwise.

- (b) The share capital structure of the Resulting Company as on March 31, 1999 was as follows:

	Rs.
Authorised	
50,00,00,000 Equity Shares of Rs.10 each	5,00,00,000
	<u>5,00,00,000</u>
Issued, Subscribed and Paid-Up	
20 Equity Shares of Rs.10 each fully paid-up	200.00
	<u>200.00</u>

PART II – DEMERGED UNDERTAKING

3. (a) With effect from the Appointed Date, all the estate, assets, rights, title and interest including accretions and appurtenances of the Demerged Undertaking as set forth in Schedule 1 hereto at their closing book values as on March 31, 1999 shall, subject to the provisions of this Clause in relation to the mode of vesting and pursuant to Section 394(2) of the Act, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company as a going concern free of encumbrances so as to become as and from the Appointed Date, the estates, assets, right, title and interest of the Resulting Company.
- (b) In respect of such of the assets of the Demerged Undertaking, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same may be so transferred by the Demerged Company, and shall become the property of the Resulting Company as an integral part of the undertaking.
- (c) In respect of such of the assets belonging to the Demerged Undertaking other than those referred to in sub-clause (b) above, the same shall, as more particularly provided in sub-clause (a) 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 Resulting Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.

- (d) All assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operations of the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company, upon the coming into effect of the Scheme.
 - (e) In so far as the assets comprised in the Demerged Undertaking are concerned, the security or charge over such assets relating to any loans, debentures or borrowings of the Demerged company, shall without any further act or deed be released and discharged from the same and shall no longer be available as security in relation to liabilities of the Demerged Company.
4. (a) Upon the coming into effect of the Scheme, the following liabilities and obligations of the Demerged company as on the Appointed Date, shall be deemed to have been transferred to the Resulting Company and to the extent they are outstanding on the Effective Date shall, without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company which shall undertake to meet, discharge and satisfy the same:
- (i) the liabilities which arose out of the activities or operation of the Demerged Undertaking; and
 - (ii) such of the general or multipurpose borrowings of the Demerged Company as identified by the Board of Directors of the Demerged Company and which in the aggregate stand in the same proportion which the value of the assets transferred to the Resulting Company bear to the assets of the Demerged Company on the Appointed Date.
- (b) Where any of the liabilities and obligations of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective date, such discharge shall be deemed to have been for and on account of the Resulting Company and all loans raised and used and all liabilities and obligations incurred by the Demerged Company 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 Resulting 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 Resulting Company and shall become the liabilities and obligations of the Resulting Company which shall undertake to meet discharge and satisfy the same.
- (c) The transfer of the general or multipurpose borrowings in terms of sub-clause (a) (ii) above shall be without prejudice to any agreements or arrangements including in respect of security entered into between the Demerged Company and the lenders existing on the Appointed Date which shall continue in full force notwithstanding that the liability for repayment of principal and payment of interest is taken over by the Resulting Company. The Demerged Company shall make repayments of such principal amounts and payments of interest thereon on behalf of the Resulting Company, and the Resulting Company shall be under obligation to place the Demerged Company in funds at the relevant time so as to enable the Demerged Company to make payment to the lenders.
5. All the assets and liabilities of the Demerged Undertaking shall be transferred at the values appearing in the books of the Demerged Company immediately before the demerger which are set forth in the closing balance sheet relating to the Demerged Undertaking as on March 31, 1999 attached hereto as Schedule 2.
6. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.
- (b) The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Demerged Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of this scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged company to be carried out or performed.
7. (a) The Resulting Company undertakes to engage, on and from the Effective Date, all employees of the Demerged Company relating to and/or necessary for the Demerged Undertaking or necessary for the Resulting Company to independently carry on its business, and which employees are in the employment of the Demerged Company as on the Effective Date (the "Transferred Employees"), on the same terms and conditions on which they are engaged by the Demerged Company, without any interruption of service as a result of the demerger. The Resulting Company undertakes to continue to abide by any agreement/settlement entered into by the Demerged Company in respect of the Demerged Undertaking with any union/employee of the Demerged Company being the Transferred Employee. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Transferred Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

- (b) In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts created by the Demerged Company for its employees (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be continued for the benefit of the Transferred Employees pursuant to this Scheme in the manner provided hereinafter. The Resulting Company shall have the obligation to take all necessary steps to set up its own funds as soon as practicable. In the event that the Resulting Company has set up its own funds in respect of any of the funds if the Demerged Company referred to above, the amounts in such funds in respect of contributions pertaining to the Transferred Employees of the Demerged Undertaking shall, subject to the necessary approvals and permissions, if any, be transferred to the relevant funds of the Resulting Company. Until such time that the Resulting Company may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees to the relevant funds of the Demerged Company, at the time that the Resulting Company creates its own fund, the contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Resulting Company.
8. (a) Upon the coming into effect of the Scheme, all legal or other proceedings by or against the Demerged Company under any statute, and as agreed between the Demerged Company and the Resulting Company, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and relating to the Demerged Undertaking shall be continued and enforced by or against the Resulting Company after the Effective Date.
- (b) If proceedings are taken against the Demerged Company in respect of the matters referred to in sub-clause (a) above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- (c) The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in sub-clause(a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.
9. With effect from the Appointed Date and upto and including the Effective Date, the Demerged Company:
- (a) shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Demerged Undertaking and stand possessed of all the estates, assets, rights, title and interest of the Demerged Undertaking for and on account of, and in trust for, the Resulting Company;
- (b) all profits accruing to the Demerged Company, or losses arising or incurred by it (including the effect of taxes if any thereon), relating to the Demerged Undertaking shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Resulting Company;
10. The Demerged Company hereby undertakes that it will from the Appointed Date upto and including the Effective Date preserve and carry on the Demerged Undertaking with diligence, prudence and agrees that it will not, without the prior written consent of the Resulting Company, alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with union or employees or undertake substantial expansion of the Demerged Undertaking, other than expansions which have already been commenced.
11. The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking under Clause 3 & 4 and the continuance of the proceedings by or against the Resulting Company under Clause 8 hereof shall not affect any transactions or proceedings already completed by the Demerged Company on and after the Appointed Date to the end and intent that, subject to Clause 10, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

PART III- REMAINING BUSINESS

12. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
13. All legal or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company.
14. With effect from the Appointed Date and upto and including the Effective Date, the Demerged Company:
- (a) shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- (b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes (including advance taxes paid), if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Demerged Company.

PART IV – REORGANISATION OF CAPITAL

The provisions of this Part shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.

SECTION “A”

15. In view of the demerger, and as an integral part of the Scheme, the capital of the Demerged Company and Resulting Company shall be restructured and reorganized in the manner set out in Sections “B” to “D” below.

SECTION “B”

16. (a) Upon the coming into effect of the Scheme and in consideration for the demerger of the Demerged Undertaking, including the transfer and vesting thereof in the Resulting Company pursuant to Part II of the Scheme, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot on a proportionate basis to each member of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the Record Date, in the ratio (the “Entitlement Ratio”) of one Equity Share in the Resulting Company of Rs.10/- each credited as fully paid-up in cash for every ten Equity Shares of Rs.10/- each held by such member in the Demerged Company.
- (b) (i) Equity Shares to be issued by the Resulting Company pursuant to Clause 16(a) in respect of the 5,01,833 equity shares of the Demerged Company which are held in abeyance under the provisions of Section 206A of the Act or otherwise (referred to in Note 2 to Clause 2(a) above), shall pending allotment also be kept in abeyance.
- (ii) Equity Shares to be issued by the Resulting Company in respect of shares of the Demerged Company where calls are in arrears, shall be kept in abeyance by the Resulting Company, pending full payment by the member to the Demerged Company.
- (iii) In respect of forfeited shares of the Demerged Company, no shares shall be issued by the Resulting Company.
- (c) In view of the demerger and other related provisions of this Scheme and concurrently and as an integrally connected part of the Scheme and upon the coming into effect of this Scheme, with effect from the Appointed Date, the issued, subscribed and paid-up capital of the Demerged Company shall be reduced by Rs. 28,82,31,272/-, Rs. 28,76,04,838/- and Rs.28,76,01,340/- respectively and that such reduction shall be effected by reducing the paid-up capital by Rupee one per equity share of Rs.10 each of the Demerged Company, which have been issued and are outstanding.
- (d) Simultaneously with the reduction of share capital of the Demerged Company in accordance with sub-clause (c) above, ten equity shares so reduced shall be consolidated into nine equity shares of Rs.10/- each.
17. (a) The members of the Demerged Company whose names are registered on the register of members of the Demerged Company as on the Record Date, shall for the sake of convenience, upon the Scheme becoming effective and upon being so notified, surrender their share certificates in the Demerged Company to the Demerged Company which shall deliver to such member the shares in the Demerged Company and the Resulting Company to which they will be entitled in terms of Clause 16 of this Scheme after allotment/reorganization. In the event that the Demerged Company has not received by such date as may be determined by the Board of Directors of the Demerged Company any of the share certificates that are to be surrendered, then the said share certificates shall be deemed to have been cancelled and shall cease to exist.
- (b) In case any member's shareholding in the Demerged Company is such that such member becomes entitled to a fraction of one share of the Demerged Company on such consolidation as mentioned in sub-clause(c) above, the Demerged Company shall not issue fractional share certificate(s)/entitlements to such member but shall consolidate the fractions and issue the consolidated shares to a trustee nominated by the Board of Directors of the Demerged Company who shall sell the shares and distribute the net sale proceeds to such members in proportion to their respective fractional entitlements.
- (c) Notwithstanding the reduction of capital of the Demerged Company, the Demerged Company shall not be required to add “And Reduced” as suffix to its name and the Demerged Company shall continue in its old name.
18. The Resulting Company as may be required enter into an agreement with a depository for dematerialisation of the shares of the Resulting Company. In so far as the issue of shares pursuant to Clause 16(a) hereof is concerned, each members of the Demerged Company shall have the option, exercisable by notice in writing to the Demerged Company on or before such date as may be determined by the Board of Directors of the Demerged Company, to receive the shares either in certificate form or in dematerialized form. In the event that such notice has not been received by the Demerged Company in respect of any of the members, the shares shall be issued to such members in certificate 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 confirmations and details as may be required.
19. In case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of an equity share of the Resulting Company, the Resulting Company shall not issue fractional share certificates to such member but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Resulting Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements.

20. Such equity shares to be issued and allotted by the Resulting Company in terms of Clause 16(a) above shall rank pari passu in all respects with the existing equity shares of the Resulting Company, save and except in relation to dividends to which they will be entitled from the Appointed Date.
21. Equity shares of the Resulting Company issued in terms of Clause 16(a) above, shall, subject to the execution of the listing agreement and payment of the appropriate fee, be listed on the relevant Stock Exchange/s, whether in India or abroad, where the existing equity shares of the Demerged Company are listed.

SECTION “C”

22. Unless otherwise determined by the Board of Directors or any committee thereof of the Demerged Company and the Board of Directors of the Resulting Company, allotment of shares in terms of Clause 16(a) of this Part shall be done within 90 days from the Effective Date.

SECTION “D”

23. Upon the coming into effect of this Scheme, and the issue of shares in the Entitlement Ratio by the Resulting Company pursuant to the provisions of Clause 16(a), and subject to such governmental or regulatory approvals as may be necessary, the Resulting Company shall issue to the Depository, appointed by the Resulting Company appropriate number of underlying shares as per the Entitlement Ratio and procure that the Depository shall issue GDRs of the Resulting Company to the existing non US GDR holders of the Demerged Company in an appropriate manner within 6 months from the Effective Date. The Resulting Company and the Depository, and the Demerged Company and the depository in respect of the existing GDRs of the Demerged Company shall enter into such further documents as may be necessary and appropriate in this behalf.
24. GDRs issued pursuant to Clause 23 shall not be listed unless required by any regulations, law or permits, in which event the same may be listed on the Luxembourg Stock Exchange or the London Stock Exchange, as appropriate, within 6 months of the Effective Date and the Resulting Company shall take such additional steps and do all such acts, deeds and things as may be necessary in this behalf.
25. The Resulting Company shall procure the Depository to sell appropriate number of underlying shares of the Resulting Company listed on Indian Stock Exchange/s or GDR's of the Resulting Company issued by the Depository being the entitlement of the US holders, to non-US investors and shall procure that the Depository, within 6 months of the Effective Date, distribute to the existing US GDR holders of the Demerged Company their proportionate share of the net proceeds (after deducting expenses and taxes, if applicable), in lieu of issuing GDR's of the Resulting Company to such US holders. The Resulting Company and the Depository and the Demerged Company and the Depository in respect of the existing GDR's of the Demerged Company shall enter into such further documents as may be necessary and appropriate in this behalf.

PART V

GENERAL TERMS & CONDITIONS

26. (a) Demerged Company
- Upon the coming into effect of this Scheme, an amount representing the excess of the amount representing the surplus of the assets over the liabilities of the Demerged Undertaking being transferred to the Resulting Company in terms of Clause 2 above as reduced by the amount representing the reduction in share capital described in Clause 16(c) of this Scheme, shall be debited in the books of Demerged Company as follows :
1. an amount of Rs.46,53,36,123/- to the Share Premium Account; and
 2. the balance amount, if any, to the General Reserve.
- (b) Resulting Company
- Upon the coming into effect of this Scheme, an amount representing the excess of (i) the amount representing the surplus of (A) assets over (B) the liabilities of the Demerged Undertaking of the Demerged Company in its books of account, over (ii) the aggregate face value of the share capital issued by the Resulting Company to the members of the Demerged Company, shall be credited by the Resulting Company to the accounts specified below :
1. an amount of Rs.46,53,36,123/- to the Share Premium Account; and
 2. the balance amount, if any, to the General Reserve.
27. (a) The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, whether interim or final, to their respective members in respect of the accounting period prior to the Effective Date.
- (b) The equity shares of the Resulting Company to be issued and allotted to the equity members of the Demerged Company as provided in Clause 16(a) hereof shall be entitled to dividends from the Appointed Date. The holders of the shares of the Demerged Company and the Resulting Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of Directors of the Demerged Company and the Resulting Company and subject to the approval of the members of the Demerged Company and the Resulting Company respectively.
28. The issue and allotment of the shares and GDRs under the provisions of this Scheme to the non-resident shareholders will be made subject to the approval of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 or other relevant authority and on such terms and in such manner as such authorities may impose, provided that the approval of the Ministry of Finance, if required, has been received for the issue of the GDRs.
29. The Demerged Company and the Resulting Company shall make necessary applications before the High Court of Mumbai for the sanction of this Scheme of Arrangement under Sections 391 and 394 of the Act. The Demerged Company may in due course apply for one or more orders under Section 394 of the Act for vesting of the Demerged Undertaking under this Scheme.
30. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company at its sole discretion shall be empowered in appropriate cases, even subsequent to the Record Date or the Effective Date as the case may be, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Resulting Company and in relation to the new shares after the Scheme becomes effective. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transaction period.
31. (a) Upon the Scheme coming into effect, the Resulting Company shall automatically and without further act or deed be converted into a public limited company, and the restrictions contained in Article 2 of the Articles of Association of the Resulting Company shall without further act or deed be deleted.
- (b) Upon the Scheme coming into effect, and pursuant to the provisions of Section 21 of the Act, the name of the Resulting Company shall be changed to "GESCO Corporation Limited".
- (c) Upon the Scheme coming into effect, and pursuant to Section 269 and other relevant provisions of the Act, the appointment of Mr. Ghanshyam S. Sheth as managing director shall without further act or deed be continued in the Resulting Company for the same remuneration and on the same terms and conditions for the residual period.
32. The Capital Clause (V) of the Memorandum of Association of the Resulting Company shall, upon the Scheme coming into effect and without any further act or deed, be replaced by the following clause :
- "The Authorised Share Capital of the Company is Rs.40,00,00,000/- (Rupees forty crores only) divided into 4,00,00,000 (four crores) Equity Shares of Rs.10/- (Rupees Ten only) each, with power to increase or reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions, as may be determined, and to vary, modify, or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."
33. Upon the Scheme coming into effect the apartments in relation to the units at Great Eastern Centre, Nehru Place, New Delhi and Great Eastern Plaza, Bhikaji Cama Place, New Delhi shall be governed by and be subject to the provision of the Delhi Apartment Ownership Act, 1986. The relevant particulars and/or Deeds of Apartment as may be required under Section 13 or any other provision of the Delhi Apartment Ownership Act, 1986 shall be supplied and included in the said order or any schedule / annexure thereto and the Demerged Company and/or the Resulting Company shall supply and attach the same. Upon the Scheme coming into effect, the Deeds of Apartment shall be deemed to be executed in accordance with the provisions of Section 13 of the Delhi Apartment Ownership Act, 1986.
34. (a) The Demerged Company (by its Board of Directors) and the Resulting Company (by its Board of Directors), either by themselves or through a committee appointed by them in this behalf, may, in their full and absolute discretion, make and/or assent to any alteration or modification to this Scheme, including but not limited to those which the Court and/or any other Authority may deem fit to approve or impose.
- (b) The Demerged Company (by its Board of Directors) and the Resulting Company (by its Board of Directors), either by themselves or through a committee appointed by them in this behalf, may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture-holders of the respective companies), or to review the position relating to the satisfaction of various conditions to the scheme and if necessary, to waive any of those (to the extent permissible under law).
- (c) Any issue as to whether any asset or liability pertains to the Demerged Undertaking or not shall be decided by the Board of Directors of the Demerged Company and the Resulting Company, either by themselves or through a committee appointed by them in this behalf, on the basis of evidence that they may deem relevant for the purpose (including the books and records of the Demerged Company).

35. The Scheme is conditional upon and subject to :
- (a) the Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Demerged Company and the Resulting Company as required under the Act and the requisite orders of the High Court of Mumbai referred to in Clause 29 hereof being obtained;
 - (b) the approval of the Ministry of Finance and/or the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 being obtained in relation to certain matters referred to in terms of this Scheme for which such approval is necessary;
 - (c) such other sanctions and approvals including sanction of any Governmental Authority, creditor, lessor or contracting party as may be required by law or contract in respect of the Scheme being obtained; and
 - (d) the certified copies of the court orders referred to in this Scheme in respect of the Demerged Company and the Resulting Company being filed with the Registrar of Companies, Maharashtra.
36. In the event of this Scheme failing to take effect finally by October 31, 1999 or by such later date as may be agreed by the respective Boards of Directors of the Demerged Company and the Resulting Company, this Scheme shall become 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 the Demerged Company shall bear all related costs.
37. In the event of non-fulfillment of any or all obligations under the Scheme by any Company towards the other Company, inter-se or to third parties and non-performance of which will put the other Company under any obligation, then such Company will indemnify all costs/interest, etc. to the other Company.
38. If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of the Demerged Company and the Resulting Company either by the Board of Directors or through committee appointed by them in this behalf, the same shall not, subject to the decision of the Demerged Company and the Resulting Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.
39. All past, present and future costs, charges, levies, duties (including any stamp duty) and expenses in relation to or in connection with or incidental to this Scheme or the implementation thereof (including in relation to the incorporation of the Resulting Company, issue of shares by the Resulting Company and all matters related thereto and also including in relation to the transfer of the Demerged Undertaking) shall be borne and paid for by the Demerged Company.

Schedule 1

1. Unit comprising of commercial floor space admeasuring 51,810.07 sq.ft. of built-up area in Great Eastern Center, Plot No.70, Nehru Place, New Delhi together with leases of built up floor space to various lessees.
2. Unit comprising of commercial floor space admeasuring 54,973.35 sq.ft. of built-up area in Great Eastern Plaza, Plot No.2-A, Bhikaji Cama Place, New Delhi together with leases of built up floor space to various lessees.
3. Unit comprising of property admeasuring 8,499.32 sq.mtrs. together with structures standing or under construction in Great Eastern Plaza situate at CTS No.1996 A, Yerawada, Nagar Road, Pune together with the interest and benefits in the Agreement with M/s. E.I.H. Ltd.
4. Unit comprising of property admeasuring 9,223 sq.feet together with structures in Great Eastern Plaza situate at No.32, Langford Road, Richmond Town Bangalore together with the leases of built-up floor spaces to various lessees.
5. Unit comprising of residential premises for employees, together with parking spaces, comprising of flat nos. 2B, 5A, 8A, 10B & 11B, Belvedere Court, C.S. No.1895, Sane Guruji Marg, Mumbai; flat nos. 1B-I, 1B-II & 3A-II, Great Eastern Royale, Bellasis Road, Tardeo, Mumbai; Flat no.1002, Sea-King, Bandstand, Bandra, Mumbai; Flat No.41, El-Nor, 7-B, Gazdar Road, Santacruz, Mumbai and flat no.E-102, Adarsh Palace, Jayanagar, Bangalore.
6. Unit comprising of office premises for administrative offices comprising of office at 8th floor, Centre-1, Cuffe Parade, Mumbai; office nos. 16, 17 & 18 (together with terraces) in Nirmala Heights, Congress House Road, Pune; and office no.304, Raheja Chambers, Museum Road, Bangalore.

Schedule 2**Closing Balance Sheet of Demerged Undertaking as on March 31, 1999**

APPLICATION OF FUNDS :	Rupees
Fixed Assets :	
Gross Block	942,669,962
Less : Depreciation	99,291,580
Net Block	843,378,382
Capital work-in-progress	229,851,937
	1,073,230,319
Investments	12,750,000
Current Assets :	
- Inventories	522,885
- Sundry Debtors	17,735,838
- Cash & Bank Balances	2,061,914
- Loans & Advances	572,095,052
Total Current Assets :	592,415,689
Current Liabilities and Provisions	137,270,788
Net Current Assets :	455,144,900
TOTAL	1,541,125,220
SOURCES OF FUNDS :	
Shareholders' Funds :	1,511,330,520
Loan Funds :	
Other Liabilities	29,794,700
TOTAL	1,541,125,220

Note : Other liabilities under Loan funds represent so much of the amounts of general or multipurpose borrowings of the De-merged Company, as stand in the same proportion which the value of assets transferred of the de-merged undertaking bears to the total value of the assets (fixed assets, investment and net current assets) of the De-merged Company immediately before the de-merger.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO.821 OF 2005
CONNECTED WITH
COMPANY APPLICATION NO.643 OF 2005

In the matter of the Companies Act, 1956:

And

In the matter of Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956 (Act 1 of 1956) ; and etc.

And

In the matter of Scheme of Arrangement between The Great Eastern Shipping Company Limited and Great Offshore Limited ;

The Great Eastern Shipping Co. Ltd.

.... Petitioner

WITH
COMPANY PETITION NO.822 OF 2005
CONNECTED WITH
COMPANY APPLICATION NO.644 OF 2005

In the matter of the Companies Act, 1956:

And

In the matter of Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956 (Act 1 of 1956) ; and etc.

And

In the matter of Scheme of Arrangement between The Great Eastern Shipping Company Limited and Great Offshore Limited ;

Great Offshore Ltd.

.... Petitioner

Mr.Shyam Diwan with Mr.Shyam Mehta i/b M/s.J.Sagar Associates for the Petitioners.

Mr.C.J.Joy with Mr.R.C. Master & Mr.M.M. Goswami i/b Dr. T.C. Kaushik for Regional Director, Department of Company Affairs Maharashtra, Mumbai.

CORAM : S.J. VAZIFDAR. J.

DATED : 3RD FEBRUARY, 2006.

P.C. :

1. There appeared to be some typographical errors in the order dated 27.1.2006 as regards the title, numbering of the paragraphs and inclusion of paragraph 3. Instead of clarifying the order, it would be more convenient to substitute the same with the following order :-
2. The Petitioner in Company Petition No.821 of 2005 is a transferor company and the Petitioner in Company No.822 is a transferee company.
3. This is a Petition seeking sanction of a scheme under Section 391 of the Companies Act, 1956. The scheme involves transfer of the Off-shore Services Division of the transferor company to the transferee company and the Regional Director in his affidavit stated that the scheme is not prejudicial to the interest of the creditors and the shareholders.
4. There is no opposition to the scheme. All the requirements have been fulfilled.
5. In the circumstances, Company Petition No.821 of 2005 is made absolute in terms of prayers (a) to (j) and the Company Petition No.822 of 2005 is made absolute in terms of prayers (a) to (f).
6. Costs of the Regional Directors fixed at Rs.2500/-.
7. Filing and issuance of the drawn up order is dispensed with.
8. All concerned parties to act on an ordinary copy of this order and Exhibit "H" to Company Petition No.821 of 2005 duly authenticated by the Company Registrar of this Court.

SCHEME OF ARRANGEMENT

BETWEEN

THE GREAT EASTERN SHIPPING COMPANY LIMITED ...Demerged Company

GREAT OFFSHORE LIMITED ...Resulting Company

AND

THEIR RESPECTIVE MEMBERS AND CREDITORS

WHEREAS

- (A) The Demerged Company is engaged in the business of shipping and offshore services. The shipping business comprises of owning and operating dry bulk, liquid and other vessels. The offshore services business comprises of owning and operating assets such as offshore support vessels, tugs, construction barges and drilling rigs.
- (B) This Scheme of Arrangement (hereinafter referred to as the "Scheme") which is a demerger provides for the transfer of the offshore services division of the Demerged Company to the Resulting Company, and in consideration thereof issue of equity shares by the Resulting Company to the members of the Demerged Company on a proportionate basis, pursuant to Section 394 and other relevant provisions of the Act.
- (C) The Scheme also makes provisions for various other matters consequential or related thereto and otherwise integrally connected therewith including reduction of capital of the Demerged Company.

SCHEME

PART I – GENERAL

1. Definitions

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

- (a) "Act" means the Companies Act, 1956 or any statutory modification or re-enactment thereof;
- (b) "Appointed Date" means, April 1, 2005;
- (c) "Demerged Company" means The Great Eastern Shipping Company Limited, a company registered under the Act and having its registered office at Ocean House, 134/A, Dr. A. B. Road, Worli, Mumbai 400 018;
- (d) "Demerged Undertaking" means the offshore services business carried on by the Demerged Company on a going concern basis and consisting inter alia of the assets and liabilities of the said business including immoveable properties relating to or necessary for the carrying on of the offshore services business along with other assets and mean and include (without limitation):
 - (a) all assets wherever situate, whether movable or immovable, tangible or intangible, including any plant and machinery, buildings, offices, furnitures, fixtures, office equipment, appliances, accessories together with all present and future liabilities (including contingent liabilities) appertaining to or relatable thereto;
 - (b) all permits, quotas, rights, entitlements, including customs duty exemption certificates, essentiality certificates, industrial and other licenses, approvals, consents, municipal permissions, tenancies in relation to office and/or residential properties for the employees, offices, goodwill, intellectual property, benefit of track record and past experience for the purposes of eligibility criteria, investments, cash balances, the benefit of any deposits, financial assets, funds belonging to or proposed to be utilized for the offshore services business, bank balances, bank accounts, privileges, all other rights and benefits, industrial, intellectual property and other licences, power and facilities of every kind, nature and description whatsoever, right to use and avail of telephones, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating thereto;
 - (c) all earnest moneys and/or security deposits paid or received by the Demerged Company in connection with or relating thereto; and
 - (d) all necessary records, files, papers, engineering and process information, computer programmes, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records in connection with or relating to thereto;
- (e) "Effective Date" means the last date on which all the conditions and matters referred to in Clause 35 hereof have been fulfilled and all approvals and consents referred to therein have been obtained. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date;

- (f) "GDRs" means global depository receipts issued or to be issued pursuant to the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable law, and where appropriate shall include the underlying equity shares relating thereto;
- (g) "IPR" means Intellectual Property Rights including trademarks, trade names, service marks, patents, designs, colour schemes, logo, copyright or otherwise howsoever;
- (h) "Record Date" means the date to be fixed by the Board of Directors or a committee thereof of the Demerged Company for purpose of determining the members of the Demerged Company to whom equity shares of the Resulting Company will be allotted pursuant to this Scheme;
- (i) "Relatives" means Relatives as defined under the Act;
- (j) "Remaining Business" means all the business and the divisions of the Demerged Company other than the Demerged Undertaking;
- (k) "Resulting Company" means Great Offshore Limited, a company incorporated under the Act and having its registered office at Energy House, 81, D. N. Road, Mumbai 400 001;

2. Share Capital

- (a) As on April 1, 2005, the share capital structure of the Demerged Company is as follows:

	Rs. in crores
AUTHORISED	
300,000,000 Equity Shares of Rs.10 each	300.00
200,000,000 Preference Shares of Rs. 10 each	200.00
	<u>500.00</u>
ISSUED**	
190,873,056 Equity Shares of Rs.10 each fully paid-up	190.87
SUBSCRIBED*	
190,343,123 Equity Shares of Rs.10 each fully paid-up	190.34
PAID-UP*	
190,339,975 Equity Shares of Rs.10 each fully paid-up	
Less: Calls in arrears	Rs. 40,799/-
Add: Forfeited Shares	Rs. 30,358/-
	190.34

1. * Includes 11,97,494 equity shares represented by GDRs issued in 1994.
2. # Includes 4,17,792 equity shares of the Demerged Company which are held in abeyance under the provisions of Section 206A of the Act or otherwise.

- (b) Presently, the share capital structure of the Resulting Company is as follows:

	Rs. in lakhs
AUTHORISED	
50,000 Equity Shares of Rs.10 each	5.00
ISSUED, SUBSCRIBED AND PAID UP	
50,000 Equity Shares of Rs.10 each fully paid-up	5.00

PART II – DEMERGED UNDERTAKING

3. (a) With effect from the Appointed Date, all the estate, assets, right, title and interest including any benefit, claim or amount which is received by the Demerged Company after the Appointed Date or at any time thereafter but which relates to the activities and operations of the Demerged Undertaking shall, subject to the provisions of this Clause in relation to the mode of vesting, and pursuant to Section 394(2) of the Act, be transferred to and vested in, at their book values as on the Appointed Date, the Resulting Company as a going concern so as to become as and from the Appointed Date, the estate, assets, right, title and interest of the Resulting Company.
- (b) In respect of such of the assets of the Demerged Undertaking, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, payment or by endorsement and delivery, the same shall be so transferred by the Demerged Company, and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking.

- (c) In respect of such of the assets belonging to the Demerged Undertaking other than those referred to in sub-clause (b) above, the same shall, 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 Resulting Company on the Appointed Date, pursuant to the provisions of Section 394 of the Act.
 - (d) All assets acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operations of the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company, upon the coming into effect of the Scheme.
 - (e) In so far as the assets comprised in the Demerged Undertaking are concerned, the security or charge over such assets relating to any loans, debentures or borrowings of the Demerged Company shall without any further act or deed be released and discharged from the same and shall no longer be available as security in relation to the liabilities of the Demerged Company.
 - (f) It is clarified, for the removal of doubt, that, on and from the Effective Date, for the purposes of determining any eligibility criteria or for qualifying to bid for any project or contract or work relating to the Demerged Undertaking, only the Resulting Company shall have the benefit of the experience and track record of the Demerged Undertaking and the Demerged Company shall not be entitled to directly or indirectly claim or rely upon any such track record or past experience.
 - (g) It is clarified, for the removal of doubt, that the transfer of any goods imported by the Demerged Company and transferred to the Resulting Company as per the Scheme shall not be deemed to have breached any condition of the import licences or the applicable clauses of the Import Policy or notifications under the relevant customs and/or any other applicable laws.
 - (h) The Demerged Company has been granted Duty Free Credit Entitlement Certificates to enable duty free imports. The Demerged Company has been availing the benefit of such licenses from time to time. As on April 1, 2005, the Demerged Company has a total outstanding duty credit certificates of Rs. 94,10,72,155/- on account of such licenses. The Demerged Company has applied for a license under the "Served from India Scheme" to avail duty credit of Rs.137,86,50,000/- for the foreign exchange earned by the Demerged Company in the year 2004-05. The relevant authorities are directed to transfer 20% of the duty credit presently available and the duty credit that will be granted to the Demerged Company for its foreign exchange earnings for the year 2004-05 to the Resulting Company by issuing a separate license, or in any other appropriate manner.
 - (i) On and from the Appointed Date, if any certificate for tax deducted at source or any other tax credit certificate relating to the Demerged Undertaking is received in the name of the Demerged Company, it shall be deemed to have been received by the Resulting Company which alone shall be entitled to claim credit for such tax deducted or paid and the relevant tax authorities are hereby directed to permit the Resulting Company to claim the benefit of such tax credit even though such tax deducted at source or tax credit certificate stands in the name of the Demerged Company.
 - (j) The Resultant Company shall be entitled to the benefits of the Tonnage Tax Scheme under Chapter XII G of the Income Tax Act, 1961 in respect of its qualifying ships from the Appointed Date.
 - (k) Notwithstanding anything contained herein the IPR in the design logo and service mark of colour scheme of the flag bearing the word "AHB" shall continue to remain exclusively vested in the Demerged Company at all times. The Demerged Company alone shall have the right to use the word/mark "AHB", "JAG" and the colour scheme of the flag on its vessels, flags, stationery or otherwise howsoever. The Resulting Company alone shall have the right to use the name "MALAVIYA" on its vessels or otherwise howsoever. "Colour Scheme" shall not mean the use of the colours which are not juxtaposed in the same or deceptively similar manner.
4. (a) Upon the coming into effect of the Scheme, the following liabilities and obligations of the Demerged Company as on the Appointed Date, shall be deemed to have been transferred to the Resulting Company and to the extent they are outstanding on the Effective Date shall, without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company which shall undertake to meet, discharge and satisfy the same:
- (i) the liabilities which directly or indirectly arose out of, or in relation to, the activities or operation of the Demerged Undertaking including but not restricted to any liability, contingent or otherwise, which becomes known or arises in the Demerged Company after the Appointed Date and/or the Effective Date;
 - (ii) such of the general or multipurpose borrowings of the Demerged Company as identified by the Board of Directors of the Demerged Company and which in the aggregate stand in the same proportion of which the value of the assets transferred to the Resulting Company bear to the total assets of the Demerged Company on the Appointed Date.
- (b) Where any of the liabilities and obligations of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company and all loans raised and used and all liabilities and obligations incurred by the Demerged Company 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 Resulting 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 Resulting Company and shall become the liabilities and obligations of the Resulting Company which shall undertake to meet discharge and satisfy the same.

- (c) The transfer of the general or multipurpose borrowings in terms of sub-clause (a) (ii) above shall be without prejudice to any agreements or arrangements including in respect of security entered into between the Demerged Company and the lenders existing on the Appointed Date which shall continue in full force notwithstanding that the liability for repayment of the principal amount and payments of interest is taken over by the Resulting Company. The Demerged Company shall make repayments of such principal amounts and payments of interest thereon on behalf of the Resulting Company, and the Resulting Company shall be under an obligation to place with the Demerged Company funds at the relevant time so as to enable the Demerged Company to make payments to the lenders on or before their respective due dates.
 - (d) In respect of any liability mentioned hereinabove, if the Demerged Company is required to make payment to satisfy such liability, the Resulting Company shall be obliged to forthwith reimburse to the Demerged Company any such payment made.
5. All the assets and liabilities of the Demerged Undertaking shall be transferred at the values appearing in the books of accounts of the Demerged Company as at Appointed Date, which are set forth in the balance sheet relating to the Demerged Undertaking as at Appointed Date attached hereto in Schedule 1.
6.
 - (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, guarantees (financial and other), bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.
 - (b) The Resulting Company shall immediately, after the coming into effect of this Scheme in accordance with the provisions hereof, whether or not required under any law or otherwise, execute deeds, confirmations, financial arrangements, or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Demerged Company may, if necessary, also be a party to the above.
7.
 - (a) The Resulting Company undertakes to engage, on and from the Effective Date, all employees of the Demerged Company who are working exclusively for the Demerged Undertaking and such other employees of the Demerged Company who are transferred to the Resulting Company, and which employees are in the employment of the Demerged Company as on the Effective Date ("Transferred Employees"), on the same terms and conditions on which they are engaged by the Demerged Company, without any interruption of service as a result of the demerger. The Resulting Company undertakes to continue to abide by any agreement or settlement entered into by the Demerged Company in respect of the Demerged Undertaking with any union/employee of the Demerged Company being the Transferred Employees. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of the Transferred Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
 - (b) In so far as the existing provident fund trusts, gratuity fund and pension and/or superannuation fund trusts created by the Demerged Company for its Employees (including the Transferred Employees) are concerned, the part of the funds referable to the Transferred Employees shall be continued for the benefit of the Transferred Employees pursuant to this Scheme in the manner provided hereinafter. The Resulting Company shall have the obligation to take all necessary steps to set up its own funds as soon as practicable but not later than the expiry of six months from the Effective Date. In the event that the Resulting Company has set up its own funds in respect of any of the funds of the Demerged Company referred to above, the amounts in such funds in respect of contributions pertaining to the Transferred Employees of the Demerged Undertaking shall, subject to the necessary approvals and permissions, if any, be transferred to the relevant funds of the Resulting Company. Until such time that the Resulting Company creates its own fund, the Resulting Company may, subject to necessary approvals and permissions, if any, continue to contribute in respect of the Transferred Employees to the relevant funds of the Demerged Company and at the time that the Resulting Company creates its own fund, the contributions pertaining to the Transferred Employees shall be transferred to the funds created by the Resulting Company.
8.
 - (a) Upon the coming into effect of the Scheme, all legal or any other proceedings (including arbitrations) by or against the Demerged Company, and as agreed between the Demerged Company and the Resulting Company, whether pending on the Appointed Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and relating to the Demerged Undertaking shall be continued and enforced by or against the Resulting Company after the Effective Date.
 - (b) If proceedings are taken against the Demerged Company in respect of the matters referred to in subclause (a) above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost and risk of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations

incurred by the Demerged Company in respect thereof. In respect of such defense, Resulting Company shall extend full and timely cooperation, including providing requisite information, personnel and the like, so as to enable Demerged Company to defend the same.

- (c) The Resulting Company undertakes to have all legal or other proceedings (including arbitrations) initiated by or against the Demerged Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.
9. With effect from the Appointed Date and up to and including the Effective Date, the Demerged Company:
 - (a) shall be deemed to have been carrying on and to be carrying on all business activities relating to the Demerged Undertaking and stand possessed of all the estate, assets, rights, title and interest of the Demerged Undertaking for and on account of, and in trust for, the Resulting Company;
 - (b) all profits accruing to the Demerged Company, or losses arising or incurred by it (including the effect of taxes if any thereon), relating to the Demerged Undertaking shall for all purposes, be treated as the profits or losses, as the case may be, of the Resulting Company.
10. The Demerged Company hereby undertakes that it will from the date on which the Scheme is filed in the High Court up to and including the Effective Date preserve and carry on the business of the Demerged Undertaking with diligence, prudence and agrees that it will not, without the prior written consent of the Resulting Company, alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with any, employees union or employees or undertake substantial expansion of the Demerged Undertaking, other than expansions which have already been commenced as on the Appointed Date.
11. The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking under Clause 3 & 4 and the continuance of the proceedings by or against the Resulting Company under Clause 8 hereof shall not affect any transactions or proceedings already completed by the Demerged Company on and after the Appointed Date to the end and intent that, subject to Clause 10, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

PART III - REMAINING BUSINESS

12. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
13. All legal or other proceedings (including arbitrations) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future (whether or not in respect of any matter arising before the Effective Date) and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company.
14. With effect from the Appointed Date and up to and including the Effective Date, the Demerged Company:
 - (a) shall be deemed to have been carrying on and to be carrying on all business activities relating to the Remaining Business for and on its own behalf;
 - (b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes and advance taxes paid, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Demerged Company.

PART IV - REORGANISATION OF CAPITAL

The provisions of this Part shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.

15. In view of the demerger, and as an integral part of this Scheme, the share capital of the Demerged Company and Resulting Company shall be restructured and reorganised in the manner set out below.
16. (a) Upon the coming into effect of the Scheme and in consideration for the demerger of the Demerged Undertaking, including the transfer and vesting thereof in the Resulting Company pursuant to Part II of the Scheme, the Resulting Company shall, without any further act or deed and without any further payment, issue and allot on proportionate basis to each member of the Demerged Company whose name is recorded in the Register of Members of the Demerged Company on the Record Date, in the ratio (the "Entitlement Ratio") of 1 Equity Share in the Resulting Company of Rs. 10/- credited as fully paid-up in cash for every 5 Equity Shares of Rs. 10/- each held by such member in the Demerged Company.
 - (b) (i) Equity Shares to be issued by the Resulting Company pursuant to Clause 16(a) in respect of 4,17,792 equity shares of the Demerged Company which are held in abeyance under the provisions of Section 206A of the Act or pursuant to any Court order or otherwise, shall pending allotment, also be kept in abeyance.

- (ii) Equity Shares to be issued by the Resulting Company in respect of shares of the Demerged Company where calls are in arrears, shall be kept in abeyance by the Resulting Company, pending full payment by the member to the Demerged Company.
 - (iii) In respect of forfeited shares and the issued but unsubscribed shares of the Demerged Company, no shares shall be issued by the Resulting Company.
- (c) As a result of the demerger and the resultant transfer of the Demerged Undertakings to the Resulting Company, the issued, subscribed and paid-up share capital of the Demerged Company will no longer be represented by assets which have been transferred to the Resulting Company and therefore shall stand accordingly reduced by Rs.381,746,110/-, Rs.380,686,250/- and Rs.380,671,790/- respectively and that such reduction shall be effected by reducing the paid up equity share capital of the Demerged Company by Rs.2 per equity share of Rs.10/- each which have been issued and are outstanding prior to allotment of shares to the members of the Demerged Company, in terms of clause 16(a) of this Scheme. Simultaneously with the reduction of share capital of the Demerged Company 5 equity shares so reduced shall be consolidated into 4 equity shares of Rs.10/- each.
- (d) Notwithstanding the reduction of the share capital of the Demerged Company, in the manner aforesaid, the Demerged Company shall not be required to add "And Reduced" as suffix to its name and the Demerged Company shall continue in its old name.
- (e) Since the demerger does not involve either diminution of liability in respect of unpaid share capital or payment to any member of any paid up share capital, the reduction of share capital pursuant to the Scheme shall be deemed to be effected and sanctioned as an integral part of this Scheme itself and to that extent the approval granted by the members to the Scheme shall be deemed to include the approval under section 100 of the Act.
17. (a) In case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of an equity share of the Resulting Company, the Resulting Company shall not issue fractional share certificates to such member but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Resulting 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.
- (b) Due to the reduction in capital of the Demerged Company, if a member becomes entitled to a fraction of an equity share of the Demerged Company, the Demerged Company shall not issue fractional share certificates to such member but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Demerged 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 entitlement.
18. Such equity shares to be issued and allotted by the Resulting Company in terms of Clause 16(a) above shall rank pari passu in all respects with the existing equity shares of the Resulting Company.
19. Equity shares of the Resulting Company issued in terms of Clause 16(a) above, shall, subject to the execution of the listing agreement and payment of the appropriate fee, be listed on the relevant stock exchanges where the existing equity shares of the Demerged Company are listed as soon as is practicable but no later than the expiry of twelve months from the Effective Date.
20. Unless otherwise determined by the Board of Directors or any committee thereof of the Demerged Company and the Board of Directors of the Resulting Company, allotment of shares in terms of Clause 16(a) of this Part shall be done within 30 (thirty) days from the Effective Date.
21. Upon the coming into effect of this Scheme, and the issue of shares in the Entitlement Ratio by the Resulting Company pursuant to the provisions of Clause 16(a), and subject to such governmental or regulatory approvals as may be necessary, the Resulting Company shall issue to the Depository appointed by the Resulting Company appropriate number of underlying shares as per the Entitlement Ratio and procure that the Depository shall issue GDRs of the Resulting Company to the existing non US GDR holders of the Demerged Company in an appropriate manner within 6 (six) months from the Effective Date. The Resulting Company and the Depository, and the Demerged Company and the Depository, in respect of the existing GDRs of the Demerged Company shall enter into such further documents as may be necessary and appropriate in this behalf.
22. GDRs issued pursuant to Clause 21 shall not be listed unless required by any regulations, law or permits, in which event the same may be listed on the Luxembourg Stock Exchange or the London Stock Exchange, as appropriate, within 6 (six) months of the Effective Date and the Resulting Company shall take such additional steps and do all such acts, deeds and things as may be necessary in this behalf.
23. The Resulting Company shall procure the Depository to sell appropriate number of underlying shares of the Resulting Company listed on Indian Stock Exchanges or GDR's of the Resulting Company issued by the Depository being the entitlement of the US holders, to non-US investors and shall procure that the Depository, within 6 (six) months of the Effective Date, distribute to the existing US GDR holders of the Demerged Company their proportionate share of the net proceeds (after deducting expenses and taxes, if applicable), in lieu of issuing GDR's of the Resulting Company to such US holders. The Resulting Company and the Depository and the Demerged Company and the Depository in respect of the existing GDR's of the Demerged Company shall enter into such further documents as may be necessary and appropriate in this behalf.

24. Pursuant to and as an integral part of the Scheme, on or before the expiry of 15 (fifteen) months from the Effective Date, the KMS Group (which comprises of Mr. K. M. Sheth, and such of his Relatives and entities owned and/or controlled by any or all of them as notified by Mr. K. M. Sheth in writing to the Demerged Company) shall transfer all shares of the Resulting Company allotted to them in respect of the shares of the Demerged Company held by them as at 30th June 2005 in favour of the VKS Group (which comprises of Mr. Vijay K. Sheth, and such of his Relatives and entities owned and/or controlled by any or all of them as notified by Mr. Vijay K. Sheth in writing to the Demerged Company). Similarly the VKS Group shall transfer all shares held by the VKS Group in the Demerged Company as at 30th June 2005 after giving effect to the provisions of Clause 16(c), in favour of the KMS Group. Such transfer shall be effected in a mode and manner to be agreed between the two Groups.

PART V

GENERAL TERMS & CONDITIONS

25. (a) Demerged Company

Upon the coming into effect of this Scheme, an amount representing the excess of the amount representing the surplus of the assets over the liabilities of the Demerged Undertaking being transferred to the Resulting Company as reduced by the amount representing the reduction in share capital described in Clause 16(c) of this Scheme, shall be debited in the books of Demerged Company as follows:

1. an amount of Rs. 32,00,00,000/- to the Share Premium Account;
2. an amount of Rs. 69,00,00,000/- to the Profit and Loss Account; and
3. the balance amount, if any, to the General Reserve.

- (b) Resulting Company

Upon the coming into effect of this Scheme, an amount representing the excess of (i) the amount representing the surplus of (A) assets over (B) the liabilities of the Demerged Undertaking of the Demerged Company in its books of account, over (ii) the aggregate face value of the share capital issued by the Resulting Company to the members of the Demerged Company, shall be credited by the Resulting Company to the accounts specified below:

1. an amount of Rs. 32,00,00,000/- to the Share Premium Account;
2. an amount of Rs. 69,00,00,000/- to the Profit and Loss Account; and
3. the balance amount, if any, to the General Reserve.

26. (a) The Demerged Company shall be entitled to declare and pay dividends, whether interim or final, to its members in respect of the accounting period prior to the Effective Date. The equity shares of the Resulting Company to be issued and allotted to the equity members of the Demerged Company as provided in Clause 16(a) hereof shall be entitled to dividends, if any declared by the Resulting Company, for the accounting period from the Appointed Date.
- (b) Out of the total dividend amount and distribution tax paid by the Demerged Company to its members, such proportion of the dividend amount and distribution tax shall be deemed to have been distributed on behalf and on account of the Resultant Company as is equal to the proportion that the Profit After Tax ("PAT") of the Demerged Undertaking bears to the total PAT of the Demerged Company.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Board of Directors of the Demerged Company and the Resulting Company.
27. The issue and allotment of the shares and GDRs under the provisions of this Scheme to the non-resident members will be made subject to the approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 or other relevant authority and on such terms and in such manner as such authorities may impose, provided that the approval of the Ministry of Finance, if required, has been received for the issue of the GDRs.
28. The Demerged Company and the Resulting Company shall make necessary applications before the High Court at Mumbai for the sanction of this Scheme under Sections 391 to 394 (read with Section 100) of the Act. The Demerged Company may in due course apply for one or more orders under Section 394 of the Act for vesting of the Demerged Undertaking under this Scheme.
29. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company at its sole discretion shall be empowered in appropriate cases, even subsequent to the Record Date or the Effective Date as the case may be, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Resulting Company and in relation to the new shares after the Scheme becomes effective. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transaction period.

30. On and from the Effective Date, and pursuant to Section 269 and other relevant provisions of the Act, the appointment of Mr. Vijay K. Sheth as managing director, shall without further act or deed be continued in the Resulting Company on the same remuneration and on the same terms and conditions for the residual period of his appointment, including terminal benefits on the basis of continuity in service without any hiatus; consequent upon which he shall cease to be a managing director of the Demerged Company.
31. (a) The Demerged Company (by its Board of Directors) and the Resulting Company (by its Board of Directors), either by themselves or through a committee appointed by them in this behalf, may, in their full and absolute discretion, make and/or assent to any alteration or modification to this Scheme, including but not limited to those which the Court and/or any other authority may deem fit to approve or impose.
- (b) The Demerged Company (by its Board of Directors) and the Resulting Company (by its Board of Directors), either by themselves or through a committee appointed by them in this behalf, may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent members, depositors or debenture-holders of the respective companies), or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under law).
32. Upon the VKS Group completing the transfer of the shares held by them in the Demerged Company as contemplated in Clause 24, the VKS group shall cease to be promoters of the Demerged Company from such date. Similarly, upon the KMS Group completing the transfer of the shares held by them in the Resulting Company, the KMS Group shall cease to be promoters of the Resulting Company from such date. Accordingly, the relevant authorities shall record such change in the promoters.
33. In the event of non-fulfillment of any or all obligations under the Scheme by any Company towards the other Company, inter se or to third parties and non-performance of which will put the other Company under any obligation, then such Company will indemnify all costs/interest, etc. to the other Company.
34. All past, present and future costs, charges, levies, duties (including any stamp duty) and expenses in relation to or in connection with or incidental to this Scheme or the implementation thereof (including in relation to the incorporation of the Resulting Company, issue of shares by the Resulting Company and all matters related thereto and also including in relation to the transfer of the Demerged Undertaking) shall be borne and paid for by the Demerged Company and the Resulting Company in the ratio of 80:20.
35. The Scheme is conditional upon and subject to:
- (a) the Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Demerged Company and the Resulting Company as required under the Act and the requisite orders of the High Court of Mumbai referred to in Clause 27 hereof being obtained;
- (b) the approval of the Ministry of Finance and/or the Reserve Bank of India under the Foreign Exchange Management Act, 1999 being obtained in relation to certain matters referred to in terms of this Scheme for which such approval is necessary;
- (c) such other sanctions and approvals including sanction of any Governmental authority, as may be required by law or any contracting counterparty under a material contract in respect of the Scheme being obtained; and
- (d) the certified copies of the court orders referred to in this Scheme in respect of the Demerged Company and the Resulting Company being filed with the Registrar of Companies, Maharashtra. Provided however, if all such approvals under (a), (b) and (c) above are not obtained on or before the expiry of 6 months from the date on which the Mumbai High Court has passed orders sanctioning this Scheme, this Scheme and demerger shall automatically lapse.

SCHEDULE - 1
BALANCE SHEET OF DEMERGED UNDERTAKING
AS ON APRIL 1, 2005

	Rs. in lakhs
APPLICATION OF FUNDS:	
Gross Block	72,060
Less: Depreciation	29,224
Net Block	42,836
Ships under construction/ Capital work-in-progress	17,074
Total Fixed Assets:	59,910
Investments	128
Current Assets:	
- Inventories	377
- Sundry Debtors	5,895
- Cash & Bank Balances	5,313
- Other current assets	107
- Loans & advances	3,078
Total Current Assets:	14,770
Current Liabilities and provisions	
- Current Liabilities	7,250
- Provisions	273
Total Current Liabilities:	7,523
Net Current Assets	7,247
Miscellaneous Expd. (to the extent not written off)	46
TOTAL ASSETS	67,331
SOURCES OF FUNDS:	
Shareholders' Funds:	
Capital	3,807
Reserves & Surplus	40,851
	44,658
Loan Funds:	
Secured Loans	22,673
	22,673
TOTAL LIABILITIES	67,331

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
 ORDINARY ORIGINAL CIVIL JURISDICTION
 COMPANY APPLICATION NO.864 OF 2006
 IN
 COMPANY PETITION NO.821 OF 2005
 CONNECTED WITH
 COMPANY APPLICATION 643 OF 2005

The Great Eastern Shipping Co. Ltd.

... Applicant

ALONGWITH
 COMPANY APPLICATION NO.865 OF 2006
 IN
 COMPANY PETITION NO.822 OF 2005
 CONNECTED WITH
 COMPANY APPLICATION 644 OF 2005

Great Offshore Ltd.

... Applicant

Mr. Virandra Tulzapurkar with Mr. Shyam Mehta with Mr. Berjis Desai with Ms. Saeeda Bandukwalla i/b J. Sagar Associates for Applicant Company.

CORAM : R.S. MOHITE J.

DATE : AUGUST 31, 2006

P.C.

This application seeks modification to the sanctioned scheme as specified in Para 4 of this application. Counsel for the applicants state that they will not press the modification which is mentioned in Paragraph 4(c). As far as modification mentioned in Paras 4(a) and (b), a statement is made in the application that the deletion of clauses 24 and 32 of the scheme has no bearing on the operation of the scheme which is essentially a demerger of the offshore services business of the applicant to the newly incorporated company. There is a further statement that the clarifications and modifications to the scheme are only for the implementation and effective operation of the scheme and as such the shareholders and the creditors of the applicant are not adversely affected. A statement has also been made across the bar that deletion of clauses 24 and 32 will have no adverse effect on the shareholders and the creditors of the Company.

In so far as the extension is concerned it is prayed that period of 6 months as mentioned in Provisio 31 of the Scheme may be extended to 9 months. The same is required to be done because there was some delay in obtaining the approval from ONGC which was required under the said provisio. The circumstances in which the said delay was caused, has been set out in the application. My attention has been drawn to Rule 7 of the Company Court Rules which allow the extension of time even if the application is made after the time period is expired. In this view of the matter, the application is allowed in terms of Prayer (a), in so far as the modification which pertains to the matters specified in Para 4-(a) and 4-(b) of the said application. However, the modification in relation to the matter contained in Para 4-C is not granted.

(R.S. MOHITE, J.)

FARAD CONTINUATION SHEET NO.
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY APPLICATION NO. 864 OF 2006 IN C.P. NO. 821 OF 2006
WITH COMPANY APPLICATION NO. 643 OF 2005

WITH
COMPANY APPLICATION NO. 865 OF 2006 IN C.P. NO. 822 OF 2005
WITH COMPANY APPLICATION NO. 644 OF 2005

Office notes, office memoranda
of Coram, appearance, Court's
orders or directions and
Registrar's orders

Court's or Judge's Orders

Mr. Rishabh Shah i/b J.Sagar & Associates for the Applicant

CORAM : R.S. MOHITE J.

DATED : 14 / 9 / 2006

P.C.

1. In my order dated 31.8.2006 in Paragraph-2 word "Proviso 31" will be read as "Proviso to clause 35". Rest of the order stands confirmed.

(R.S.MOHITE, J.)

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION (DRAFT)
OF
THE GREAT EASTERN SHIPPING COMPANY LIMITED

- | | | |
|----|--|------------------------|
| 1. | The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company. | Table 'F' not to apply |
|----|--|------------------------|

INTERPRETATION

- | | | | |
|-----|-----|--|--|
| 2. | (1) | In these Articles — | |
| | (a) | "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable. | "The Act" |
| | (b) | "Articles" means these articles of association of the Company or as altered from time to time. | "The Articles" |
| | (c) | "Board of Directors" or "Board", means the collective body of the directors of the Company. | "The Board of Directors" or "The Board" |
| | (d) | "Company" means The Great Eastern Shipping Company Limited. | "The Company" |
| | (e) | "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act. | "The Rules" |
| | (f) | "Seal" means the common seal of the Company. | "The Seal" |
| (2) | | Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender. | "Number" and "Gender" |
| (3) | | Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be. | Expressions in the Articles to bear the same meaning as in the Act |

Share capital and variation of rights

- | | | |
|----|--|--|
| 3. | Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. | Shares under control of Board |
| 4. | Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be. | Directors may allot shares otherwise than for cash |

5.	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws: (a) Equity share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and (b) Preference share capital The shares shall carry such rights, privileges and conditions as are provided by these Articles or as the Board may deem fit from time to time, with power to increase or reduce the capital and to divide and subdivide the shares into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be determined by the Board or in accordance with these Articles and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or as provided herein.	Kinds of Share Capital
6.	(1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within 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) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first. (2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up there on. (3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.	Issue of certificate Certificate to bear seal One certificate for shares held jointly
7.	The Company may convert its securities into dematerialised form or issue its securities in physical form or in dematerialised form in accordance with the provisions of the Act and any other applicable law.	Option to receive share certificate or hold shares with depository
8.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.	Issue of new certificate in place of one defaced, lost or destroyed
9.	The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to issue of certificates to apply <i>mutatis mutandis</i> to debentures, etc.
10.	(1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.	Power to pay commission in connection with securities issued

	(2)	The rate or amount of the commission shall not exceed the rate or amount prescribed, if any, in the Act and / or Rules.	Rate of commission in accordance with Rules
	(3)	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.	Mode of payment of commission
	(4)	The Company may exercise the powers of paying brokerage to any person in connection with the subscription to its securities.	Brokerage
11.	(1)	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights
	(2)	To every such separate meeting, the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply.	Provisions as to general meetings to apply <i>mutatis mutandis</i> to each meeting
12.		The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	Issue of further shares not to affect rights of existing members
13.		Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
14.	(1)	The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to – (a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or (b) employees under any scheme of employees' stock option; or (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.	Further issue of share capital
	(2)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
Lien			
15.	(1)	The Company shall have a first and paramount lien – (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company: Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.	Company's lien on shares

	(2)	The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.
	(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.	Waiver of lien in case of Registration
16.		The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made — (a) unless a sum in respect of which the lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.	As to enforcing lien by sale
17.	(1)	To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.	Validity of sale
	(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
	(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	Validity of Company's receipt
	(4)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.	Purchaser not affected
18.	(1)	The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.	Application of proceeds of sale
	(2)	The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares prior to the sale be paid to the person entitled to the shares at the date of the sale.	Payment of residual money
19.		In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.	Outsider's lien not to affect Company's lien
20.		The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to lien to apply <i>mutatis mutandis</i> to debentures, etc.
Calls on shares			
21.	(1)	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.	Board may make calls
	(2)	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	Notice of call

(3)	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.	Board may extend time for payment
(4)	A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
22.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.	Call to take effect from date of resolution
23.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
24.	(1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rates as may be fixed by the Board.	When interest on call or installment payable
	(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive interest
25.	(1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
	(2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of non - payment of sums
26.	On the trial of or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any moneys claimed to be due to the Company in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered if the resolution making the call is duly recorded in the Minute Book and that notice of such call was duly given to the member or his representatives sued in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that meeting at which any call was made was duly convened or constituted nor any other matters whatsoever but the proof of the matter aforesaid shall be conclusive evidence of the debt.	Evidence for recovery of money in respect of shares
27.	The Board -	Payment in anticipation of calls may carry interest
	(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and	
	(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.	
	(c) The Board may, from time to, time, at their discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members as the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	
	(d) The provisions of these Articles relating to call shall mutatis mutandis apply to debentures and other securities of the Company.	

28.	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Instalments on shares to be duly paid
29.	All calls shall be made on a uniform basis on all shares falling under the same class. <i>Explanation:</i> Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
30.	Neither any part payment or satisfaction of calls or other moneys due in respect of any shares nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	Partial payment not to preclude forfeiture
31.	The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to calls to apply <i>mutatis mutandis</i> to debentures, etc.
Transfer of shares		
32.	(1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.	Instrument of transfer to be executed by transferor and transferee
	(2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	Transferor shall be deemed to remain a holder of the share
33.	The Board may, subject to the right of appeal conferred by the Act decline to register - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the Company has a lien.	Board may refuse to register transfer
34.	In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless - (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares.	Board may decline to recognize instrument of transfer
35.	On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.	Transfer of shares when suspended
36.	The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to debentures, etc.

Transmission of shares

- | | | | |
|-----|-----|--|--|
| 37. | (1) | On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares. | Title to shares on death of a member |
| | (2) | Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. | Estate of deceased member liable |
| 38. | (1) | Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either -

(a) to be registered himself as holder of the share; or
(b) to make such transfer of the share as the deceased or insolvent member could have made. | Transmission clause |
| | (2) | The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency. | Board's right unaffected |
| | (3) | The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer. | Indemnity to the Company |
| 39. | (1) | If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. | Right to election of holder of share |
| | (2) | If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. | Manner of testifying election |
| | (3) | All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member. | Limitations applicable to notice |
| 40. | | A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with. | Claimant to be entitled to same advantage |
| 41. | | The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company. | Provisions as to transmission to apply <i>mutatis mutandis</i> to debentures, etc. |

Nomination of Securities

- | | | | |
|-----|-----|--|---------------------------------|
| 42. | (1) | Subject to provision of any law, every holder of shares in or holder of debentures of a Company may, at any time nominate, in the prescribed manner, a person to whom his shares in or debentures of the Company shall vest in the event of his death. | Nomination in prescribed manner |
|-----|-----|--|---------------------------------|

(2)	Where the shares in or debentures of, the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of all the joint holders.	Nomination by joint holders
(3)	Notwithstanding anything contained in any other law for the time being in force or in these Articles or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of, the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company the nominee shall on the death of the shareholder and/or debenture holder concerned or on the death of all the joint holder, as the case may be, become entitled to all the rights in relation to such share(s) and/or debenture(s) to the exclusion of all other person unless the nomination is varied cancelled in the manner prescribed under the Act.	Effect of nomination
(4)	Where the nominee is a minor the holder of the share(s) in and/or debenture(s) of the Company can make a nomination in the manner prescribed under the Act to appoint any person to become entitled to the share(s) in and/or debentures(s) of the Company in the event of his death during the minority.	Nomination in case of minor
Forfeiture of shares		
43.	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or instalment not paid notice must be given
44.	The notice aforesaid shall: (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	Form of notice
45.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment, shares to be forfeited
46.	Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.	Receipt of part amount or grant of indulgence not to affect forfeiture
47.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	Entry of forfeiture in register of Members

48.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
49.	(1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
	(2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of forfeiture
50.	(1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owing at the time of forfeiture
	(2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.	Member still liable to pay money owing at time of forfeiture and interest
	(3) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cessation of liability
51.	(1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
	(2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	(3) The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
	(4) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
52.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
53.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
54.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates

55. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. Sums deemed to be calls
56. The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company. Provisions as to forfeiture of shares to apply *mutatis mutandis* to debentures, etc.
- Alteration of capital**
57. Subject to the provisions of the Act , the Company may, by ordinary resolution – Power to alter share capital
- (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
 - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;
 - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid - up shares of any denomination;
 - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
58. Where shares are converted into stock: Shares may be converted into Stock
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;
 - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
 - (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/“member” shall include “stock” and “stock-holder” respectively.
59. The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, — Reduction of capital
- (a) its share capital; and/or
 - (b) any capital redemption reserve account; and/or
 - (c) any securities premium account; and/or
 - (d) any other reserve in the nature of share capital.

Joint Holders

- | | | |
|-----|---|--|
| 60. | Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles: | Joint-holders |
| | (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share. | Liability of Joint-holders |
| | (b) On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. | Death of one or more joint holders |
| | (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share. | Receipt of one sufficient |
| | (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders. | Delivery of certificate and giving of notice to first named holder |
| | (e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders present in person shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. | Vote of joint-holders |
| | (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders. | Executors or administrators as joint holders |
| | (f) The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company registered in joint names. | Provisions as to joint holders as to shares to apply <i>mutatis mutandis</i> to debentures, etc. |
| 61. | Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by the Articles or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. | Notice of trust |
- Company not liable for disregarding notice prohibiting registration of a transfer**

62. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown on appearing in Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book/register of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book/register 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 Board shall so think fit.
- Liability for registration of transfer
- Capitalisation of profits**
63. (1) The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —
- Capitalisation
- (a) that it is desirable to capitalise any part of the a mount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards :
- Sum how applied
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).
- (3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;
- Application of securities premium account, etc.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
- Giving effect to the resolution
64. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —
- Powers of the Board for capitalisation
- (a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and (b) generally do all acts and things required to give effect thereto.

(2)	The Board shall have power—	Board's power to issue fractional
(a)	to make such provisions, by the issue of fractional certificates / coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and	certificate / coupon etc.
(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 maybe 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.	
(3)	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
Buy-back of shares		
65.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
General meetings		
66.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting
67.	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
Proceedings at general meetings		
68.	(1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.	Presence of Quorum
(2)	No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.	Business confined to election of Chairperson whilst chair vacant
(3)	The quorum for a general meeting shall be as provided in the Act.	Quorum for general meeting
69.	The accidental omission to give notice of general meeting to any of the members or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.	Accidental omission not to invalidate resolution
70.	The Chairman of the Board shall preside as Chairperson at every general meeting of the Company.	Chairman shall preside as Chairperson of the meetings
71.	(1) If there is no such Chairman, 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 Deputy Chairman of the Board shall preside as Chairperson of the meeting.	Deputy Chairman to preside as Chairperson of the meeting
(2)	If there is no such Deputy Chairman, 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.	Directors to elect a Chairperson
72.	(1) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
(2)	No resolution or an amendment thereto shall be put to a General Meeting unless it is duly proposed and seconded. This provision shall not apply to a resolution moved by the Chairperson.	Proposing and seconding of resolution

73.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
74.	(1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Act and / or 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. (2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting – (a) is, or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company. (3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause. (4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes of proceedings of meetings and resolutions passed by postal ballot Certain matters not to be included in Minutes Discretion of Chairperson in relation to Minutes Minutes to be evidence
75.	(1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays. (2) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above, Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.	Inspection of minute books of general meeting Members may obtain copy of minutes
76.	The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.	Powers to arrange security at meetings
Adjournment of meeting		
77.	(1) The Chairperson may, suo motu or if so directed by the members at the meeting, adjourn the meeting from time to time and from place to place. (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. (3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. (4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Chairperson may adjourn the Meeting Business at adjourned meeting Notice of adjourned meeting Notice of adjourned meeting not required

Voting rights

78.	Subject to the provisions of the Act and subject to any rights or restrictions for the time being attached to any class or classes of shares - (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.	Entitlement to vote on show of hands and on poll
79.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
80.	(1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. (2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Vote of joint-holders Seniority of names
81.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members <i>non compos mentis</i> and minor may vote
82.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members, etc.
83.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending Poll
84.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.	Restriction on voting rights
85.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
Proxy		
86.	(1) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting. (2) 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.	Member may vote in person or otherwise Proxies when to be deposited

87.	An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
88.	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.	Proxy to be valid notwithstanding death of the principal
89.	A person appointed as proxy shall not act on behalf of member(s) and shares exceeding such number as may be prescribed under the Act Board of Directors	Limits for appointing proxy
90.	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).	Board of Directors
91.	A Director shall not be required to hold any qualification Shares in the Company.	Director not required to hold qualification shares
92.	(1) Subject to the provisions of the Act and notwithstanding anything contained in any other Article Mr. Bharat K. Sheth and Mr. Ravi K. Sheth, shall not, as long as they continue to be the Directors of the Company, be liable to retirement by rotation. (2) The same individual may, at the same time, be appointed as the Chairman of the Company as well as the Managing Director or Chief Executive Officer of the Company.	Directors not liable to retire by rotation Same individual may be Chairman and Managing Director / Chief Executive Officer
93.	(1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. (2) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting. (3) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company.	Remuneration of directors Remuneration to require members' consent Travelling and other expenses
94.	All cheques, promissory notes, drafts, <i>hundis</i> , bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	Execution of negotiable Instruments
95.	(1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. (2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Appointment of additional Directors Duration of office of additional Director

96.	(1)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate Director
	(2)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	Duration of office of alternate director
	(3)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
97.	(1)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
	(2)	The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
97A.*		The Board of Directors shall appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 (as may be amended or substituted from time to time) as a director on the Board of Directors.	Appointment of director nominated by debenture trustees
Powers of Board			
98.	(1)	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
	(2)	Without prejudice to the general powers conferred by the preceeding article and so as not in any way to limit or restrict those powers, it is hereby expressly declared that the Board shall have the following powers : a) to authorise buy-back of securities b) to issue securities, including debentures, whether in or outside India; c) to borrow monies; d) to invest the funds of the company; e) to grant loans or give guarantee or provide security in respect of loans; f) to diversify the business of the company; g) to approve amalgamation, merger or reconstruction; h) to take over a company or acquire a controlling or substantial stake in another company; i) to enter into agreements with customers of the Company or persons likely to do business or deal with the Company. j) to purchase or otherwise acquire or take on lease for the Company any asset, property, rights or privileges at or for such price or consideration and generally on such terms and conditions as it may think fit and in any such purchase or other acquisition to accept such title as the Board may believe or may be advised, to be reasonably satisfactory, also to mortgage, sell or let the same or any other property of the Company on such terms as it may think proper.	

- k) to pay for any property, rights or privileges, acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures, or other securities of the Company. Any such bonds, debentures, or other securities may be secured by way of charge upon all or any part of the property of the Company or its uncalled capital.
- l) to secure the fulfillment of any contracts or engagements entered into by the Company mortgage or charges of all or any of the property of the Company and its uncalled capital on such terms or in such manner as they may think fit.
- m) to insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper, all or any part of building, vessels, machinery, goods, stores, produce and other moveable property of the Company either separately or jointly, and to sell, assign, surrender or discontinue any policies of insurance effected in pursuance of this power.
- n) to open accounts with any banker or bankers and to pay money into and draw money from any such account from time to time as the Board may think fit.
- o) to institute, conduct, defend, compound or abandon any legal proceedings or arbitration proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company.
- p) to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company.
- q) to determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.
- r) to provide for the welfare of employees or ex-employees of the Company and the wives, widows and families or the dependents of such persons, by building of houses or dwellings, or by grants of money, pensions allowances, bonus, or other payments, or by creating and from time to time subscribing or contributing to provident fund, pension fund, superannuation fund and any other funds or trusts and by providing places of instruction or recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit.
- s) to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other such institutions, objects or purposes or for any exhibition.
- t) to appoint and remove or suspend such officers, employees, agents and servants whether, permanent, temporary or otherwise, as they may from time to time think fit, to determine their powers and duties, and fix their salaries or emoluments.
- u) at any time and from time to time, by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys for the Company, for such purposes and with such powers, authorities and discretions and for such period and subject to such conditions as the Board may from time to time think fit, with or without enabling any such delegates or attorneys aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- v) for and in relation to any of the matters or otherwise for the purposes of the Company, to enter into all such negotiations and contracts including underwriting contracts and rescind and vary all such contracts, and execute and do all such act, deeds and things in the name and on behalf of the Company as they may consider expedient.

Proceedings of the Board

- | | | | |
|-----|-----|--|------------------------------|
| 99. | (1) | The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. | When meeting to be Convened |
| | (2) | The Chairman or any one Director with the previous consent of the Chairman may, or the company secretary on the direction of the Chairman shall, at any time, summon a meeting of the Board. | Who may summon Board meeting |
| | (3) | The quorum for a Board meeting shall be as provided in the Act. | Quorum for Board meetings |

	(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Board Meetings
100.	(1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
	(2)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
101.		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.	Directors not to act when number falls below minimum
102.	(1)	The Board of Directors may appoint a Chairman of their meetings and determine the period for which he is to hold office, and The Board of Directors may also appoint a Deputy Chairman of the Board of Directors to preside at meetings of the Directors at which the Chairman is not present.	Who to preside at meetings of the Board
	(2)	All meetings of the Board shall be presided over by the Chairman but if at any meeting of Directors, the Chairman is not present at the time appointed for holding the same the Deputy Chairman, if present, shall preside and if he is also not present at such time, then and in that case, the Directors shall choose one of the Directors then present to preside at the meeting.	Directors to elect a Chairperson
103.	(1)	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.	Delegation of powers
	(2)	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations
	(3)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Committee meetings
104.	(1)	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
	(2)	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.	Who to preside at meetings of Committee
105.	(1)	A Committee may meet and adjourn as it thinks fit.	Committee to meet
	(2)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
	(3)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	Casting vote of Chairperson at Committee meeting
106.		All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee valid notwithstanding defect of appointment

107. Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.
- Passing of resolution by Circulation
- Managing Director and Whole-time Director**
- 108 (1) Subject to the provisions of the Act, the Company in General Meeting or the Board of Directors may from time to time, appoint one or more Directors, to be a Managing Director(s) (which expression shall be deemed to include a Joint Managing Director) and/or Whole-time Director(s) of the Company for such term, at such remuneration and upon such conditions as the Company or Board may think fit, to manage the affairs and business of the Company, and from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.
- Appointment of Managing Director and Whole-time Director
- Subject to the superintendence, control and directions of the Board of Directors, the day-to-day Management of the Company shall be in the hands of the Managing Director(s) or Whole-time Director(s), with power to the Board to distribute such day-to-day management functions among such Directors in any manner directed by the Board or to delegate such power of distribution to anyone of such Directors. The Board may, from time to time entrust to and confer upon a Managing Director(s) or Whole-time Director(s) such of the powers exercisable by the Board under these Articles or by law to such Directors as the Board may think fit and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as the Board thinks expedient and the Board may confer such power either collaterally with or to the exclusion of, or in substitution for all or any of the powers of the Board in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.
- (2) A Managing Director or Whole time Director or part time Director or Executive Director who is reappointed as a director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole time Director or part time director or Executive Director and such reappointment as such director shall not be deemed to constitute a break in his appointment as Managing Director or Whole time director or part time director or Executive Director
- Continuation of office
- Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer**
109. (1) Subject to the provisions of the Act,—
- Chief Executive Officer, etc.
- A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses, if any.
- (2) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- Director may be chief executive officer, etc.
- (3) Subject to the provisions of the Act, a document or proceeding requiring authentication by the Company; or contracts made by or on behalf of the Company may be signed by the Managing Director or Company Secretary or Chief Financial Officer or an officer of the Company duly authorised by the Board in this behalf.
- Authentication of documents

Registers

- | | | |
|----------|--|---------------------|
| 110. | The Company shall keep and maintain at its registered office all statutory registers as prescribed or may be prescribed under the Act and / or Rules from time to time 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 / or Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. | Statutory registers |
| 111. (1) | 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. | Foreign register |
| (2) | The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i> , as is applicable to the register of members. | |

The Seal

- | | | |
|----------|--|-------------------------------|
| 112. (1) | The Board shall provide for the safe custody of the seal. | The seal, its custody and use |
| (2) | The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board, and except in the presence of such person(s) as the Board or a committee of the Board may appoint for the purpose; and the person(s) aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence. | Affixation of seal |

Dividends and Reserve

- | | | |
|----------|--|--|
| 113. | The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend. | Company in general meeting may declare dividends |
| 114. | 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. | Interim dividends |
| 115. (1) | The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for 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 as the Board may, from time to time, think fit. | Dividends only to be paid out of profits |
| (2) | The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. | Carry forward of profits |
| 116. (1) | Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect 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. | Division of profits |
| (2) | No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. | Payments in advance |

117.	(1)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
	(2)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
118.	(1)	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.	Dividend how remitted
	(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of payment
	(3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge to Company
119.		Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient
120.		No dividend shall bear interest against the Company.	No interest on dividends
121.		The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividends
Accounts			
122.	(1)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors
	(2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.	Restriction on inspection by members
Winding up			
123.		Subject to the applicable provisions of the Act and the Rules made thereunder -	Winding up of Company
	(a)	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.	
	(b)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.	
	(c)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	

Indemnity and Insurance

- | | | |
|----------|--|---|
| 124. (1) | Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses. | Directors and officers right to indemnity |
| (2) | Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court / Tribunal. | Indemnity |
| (3) | The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably. | Insurance |

Secrecy Clause

- | | | |
|------|--|---------|
| 125. | Every Director, Manager, Auditor, treasurer, trustee, officer, member of a Committee, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company 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 Board of Directors or by law or by the person to whom such matters relate and except and so far as may be necessary in order to comply with any of the provisions in these presents contained. | Secrecy |
|------|--|---------|

General Power

- | | | |
|------|--|---------------|
| 126. | 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. | General power |
|------|--|---------------|

	Name of Subscribers	Addresses and Descriptions of Subscribers	Number of shares taken by each Subscriber	Witnesses
1.	Sheth Fali H.Mehta	Merchant, Mehta House, Appollo Street, Bombay	2500	Jagjivan Ujamshi Mulji
2.	Sheth Ardeshir Hormasji Bhiwandiwalla	Merchant, Chira Bazar, Bombay	2500	
3.	Sheth Manmohandas Madhavdas Amersey	Merchant, Carmichael Road, Bombay	2500	
4.	Sheth Pratapsinh Mathuradas	Merchant, Wallace Street, Bombay	2500	
5.	Sheth Maneklal Ujamshi	Merchant, 73, Marine Drive, Bombay	2500	
6.	Sheth Behramgore Hormasji Bhiwandiwalla	Merchant, Chira Bazar, Bombay	2500	
7.	Sheth Vasant J.Sheth	Merchant, Anand Bhuvan, Babulnath Road, Bombay	2500	

Dated this 3rd day of July 1948