

AMENDED UPTO
MAY 19, 2023

**MEMORANDUM OF ASSOCIATION
OF
CHALET HOTELS LIMITED**

Certificate of Incorporation Consequent upon conversion to Public Limited Company



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Mumbai
Everest, 100 Marine Drive, Mumbai, Maharashtra, India, 400002

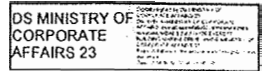
Corporate Identity Number: U55101MH1986PLC038538

Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company

IN THE MATTER OF CHALET HOTELS PRIVATE LIMITED

I hereby certify that CHALET HOTELS PRIVATE LIMITED which was originally incorporated on Sixth day of January One thousand nine hundred eighty-six under the Companies Act, 1956 as KENWOOD HOTELS PRIVATE LIMITED and upon an intimation made for conversion into Public Limited Company under Section 18 of the Companies Act, 2013; and approval of Central Government signified in writing having been accorded thereto by the RoC - Mumbai vide SRN G88799424 dated 06.06.2018 the name of the said company is this day changed to CHALET HOTELS LIMITED.

Given under my hand at Mumbai this Sixth day of June Two thousand eighteen.



V T SAJEEVAN

Registrar of Companies

RoC - Mumbai

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

CHALET HOTELS LIMITED

Raheja Tower, Plot No.C-30, Block'G', N, of Baroda, Bandra Kurla
Complex, Bandra(E),, Mumbai, Maharashtra, India, 400051



भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

प्राइवेट लिमिटेड कम्पनी के रूप में परिवर्तित होने के परिणामस्वरूप, कम्पनी के नाम में परिवर्तन
का नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U55101MH1986PTC038538

मैसर्स CHALET HOTELS LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

CHALET HOTELS LIMITED

जो मूल रूप में दिनांक छह जनवरी उन्नीस सौ छियासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स

Kenwood Hotels Private Limited

के रूप में निगमित की गई थी, और उसके द्वारा कम्पनी अधिनियम, 1956 की धारा 31(1) के अधीन प्राइवेट कम्पनी के रूप में परिवर्तित करने के लिए प्रार्थना-पत्र देने तथा भारत सरकार द्वारा उसका अनुमोदन कम्पनी रजिस्ट्रार कार्यालय आर.ओ.सी. - मुंबई के एस.आर.एन B22321897 दिनांक 15/10/2011 द्वारा प्राप्त होने की लिखित सूचना प्राप्त होने पर उक्त कम्पनी का नाम आज से परिवर्तित रूप में मैसर्स CHALET HOTELS Private Limited

हो गया है।

यह प्रमाण-पत्र, आज दिनांक पंद्रह अक्टूबर दो हजार ग्यारह को मुंबई में जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Maharashtra, Mumbai

Fresh Certificate of Incorporation Consequent upon Change of Name on
Conversion to Private Limited Company

Corporate Identity Number : U55101MH1986PTC038538

In the matter of M/s CHALET HOTELS LIMITED

I hereby certify that CHALET HOTELS LIMITED which was originally incorporated on Sixth day of January Nineteen Hundred Eighty Six under the Companies Act, 1956 (No. 1 of 1956) as Kenwood Hotels Private Limited and upon an application made for conversion into a Private Company under Section 31(1) of the Companies Act, 1956; and approval of Central Government signified in writing having been accorded thereto by the RoC-Mumbai vide SRN B22321897 dated 15/10/2011 the name of the said company is this day changed to CHALET HOTELS Private Limited.

Given at Mumbai this Fifteenth day of October Two Thousand Eleven.

Signature valid
Digitally signed by Registrar of Companies
Date: 2011.10.15 11:21:50
CN=ROC

Registrar of Companies, Maharashtra, Mumbai

कम्पनी रजिस्ट्रार, महाराष्ट्र, मुंबई

*Note: The corresponding form has been approved by PADMAVATHI BALAKRISHNAN, Deputy Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website (www.mca.gov.in).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता

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

CHALET HOTELS Private Limited
Plot No. C-30, Block 'G' Opp. SIDBI, Bandra Kurla Complex, Bandra (East),
Mumbai - 400051,
Maharashtra, INDIA



No. 11- 38538/STA

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

**IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
MUMBAI.**

In the matter of K. RAHEJA RESORTS AND HOTELS LIMITED.

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

from K. RAHEJA RESORTS AND HOTELS LIMITED.

to CHALET HOTELS LIMITED.

and I hereby certify that K. RAHEJA RESORTS AND HOTELS LIMITED.

which was originally incorporated on 06/01/86.

day of under the Companies Act, 1956 and under the name
KENWOOD HOTELS PRIVATE LIMITED. having

fully passed the necessary resolution in terms of section 21/22/(1) of the Companies Act, 1956 the name of the said Company on this day changed to
CHALET HOTELS LIMITED and this

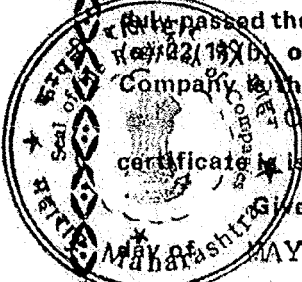
certificate is issued pursuant to Section 23(1) of the said Act/

Given under my hand at MUMBAI this FOURTH

one thousand nine hundred

ninety NTNE.

(S. RAMAKANTHA)
ASSTT. Registrar of Companies
Maharashtra, Mumbai.



No. 11- 38538

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

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
MUMBAI.

In the matter of KENWOOD HOTELS LIMITED *

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

from KENWOOD HOTELS LIMITED *

to K. RAHEJA RESORTS & HOTELS LIMITED

and I hereby certify that KENWOOD HOTELS LIMITED *

which was originally incorporated on SIXTH
day of JANUARY, 1986
under the Companies Act, 1956 and under the name
KENWOOD HOTELS PRIVATE LIMITED having

duly passed the necessary resolution in terms of section 21/22(1)(b) of the Companies Act, 1956 the name of the said Company is this day changed to

K. RAHEJA RESORTS & HOTELS LIMITED and this

certificate is issued pursuant to Section 23(1) of the said Act/
Given under my hand at MUMBAI this SIXTH

day of APRIL

one thousand nine hundred

* ninety EIGHT *

* Company u/s 43A

of the Act

R. Vasudevan
(R. VASUDEVAN)
Registrar of Companies
Maharashtra, Mumbai.



प्रारूप० आई० आर०
Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता०.....का सं०.....

No. 38538.....of 19 86

Word "Private" deleted

as 43-A(1), 43-A(1A), 43-A(1B)

43-A(1C) from the name of Company.

W.E.F. 19-7-1997

मैं एतद्वारा प्रमाणित करता हूँ कि आज.....

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

I hereby certify that KENWOOD HOTELS PRIVATE LIMITED

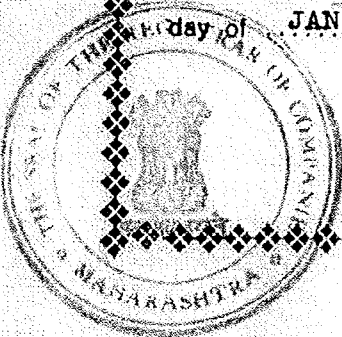
Is this day Incorporated under the Companies Act, 1956 (No. 1 of 1956)
and that the Company is limited.

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

Given under my hand at BOMBAY...this...SIXTH...
JANUARY... One thousand nine hundred and...EIGHTYSIX..

(V. GOVINDAN)

कम्पनियों का रजिस्ट्रार
Registrar of Companies





Form I. R.

CERTIFICATE OF INCORPORATION

No. 38538 of 1986

*I hereby certify that **KENWOOD HOTELS PRIVATE LIMITED** is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.*

*Given under my hand at **BOMBAY** this **SIXTH** day of **JANUARY** One thousand nine hundred and **EIGHTY SIX**.*



Sd/-
(V. GOVINDAN)
Registrar of Companies

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

CHALET HOTELS LIMITED#

- I. The name of the Company is CHALET HOTELS LIMITED#.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are:
 - (A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:
 1. To own, construct, run, furnish of, take over, manage, carry on the business of hotel, holiday resorts, restaurant, café, tavern bars, refreshment-rooms, boarding and lodging, housekeepers, clubs, in India or in any other part of the world.
 2. To provide lodging and boarding, restaurants, eating houses, bar, swimming pool and other facilities to the public including tourists, visitors and other delegates coming to India from foreign countries and to members of delegations and missions from foreign countries.
 3. *To carry on business of building, erecting and constructing structures, buildings, houses or sheds including RCC works and other fixtures on lands and or building and to convert squares, gardens and other conveniences and to make, build or construct surface metal or otherwise repair roads and carry on business of builders, constructors, contractors and road repairers of all kinds of dams, bunds, canals, bridges and irrigation works including and construction of power house or power stations.

** This clause was inserted by passing a Special Resolution at the Annual General Meeting of the Company held on 25-09-2002.*

#Name of the Company was changed from Chalet Hotels Private Limited to Chalet Hotels Limited vide Special Resolution passed by the Members of the Company at the Extra-ordinary General Meeting of the Company held on 4th June, 2018.

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

4. To acquire by purchase, lease, exchange or otherwise equip, act as collaborators, technicians, financiers of any other hotels in Bombay or elsewhere in India.
5. To purchase, take on lease or in exchange or otherwise acquire any lands and buildings in the State of Maharashtra or elsewhere and any estate or interest in and any rights connected with any such lands and buildings.
6. To carry on the business of beer-house keepers, licensed victuallers wine, beer and spirit merchants, dealers in foodstuffs of all kinds and varieties, brewers, distillers, importers, exporters and manufacturers of aerated mineral and artificial waters and other drinks, caterers for public amusements generally dealers in textile goods, perfumery silken and woollen goods, and as general merchants, garage proprietors, livery stable keepers, job-masters, farmers, dairy-men, ice-merchants, imports and brokers of food, live and dead stock and foreign produce of all descriptions, hair dressers, perfumers, chemists, proprietors of clubs, baths, dressing laundries, reading, writing and newspaper rooms, libraries, grounds, and places of amusement, recreation, sport, entertainment and instruction of all kinds tobacco and cigar merchants, travel agents railways shipping and airways and road transport corporations, companies, or bodies and carriers by land, water and air, barge owners, shipping property freight contractors, lightermen, ship-chandlers, caterers to railways, airlines and steamship companies, underwriters and insurers of ships, crafts, goods and other property, theatrical and opera box office properties, entrepreneurs, cinema exhibitors, producers and distributors, and general agents, ice-merchants, refrigerating store-keepers, and as proprietors conducting safe deposit vaults and to carry on the business of running night clubs, swimming pools, bakery and confectionery.
7. To carry on business as dealers in and producers of dairy, farm and garden produce of all kinds and in particular milk, cream, butter cheese, fruit and vegetables and to carry on business as cow-keepers, farmers, millers and market gardeners and as manufacturers of all kinds of condensed milk, jam, pickles, cider and provisions of all kinds in connection with the business of the Company.
8. Subject to the provisions of any law for the time being in force, to do the business of money changers and to deal in foreign exchange, either in cash or traveller's cheques.
9. To acquire and take over any business or undertaking carried on in connection with any land or building which the Company may desire to acquire or become

interested in and the whole or any of the assets and liabilities of such business or undertaking and to carry on the same or to dispose or remove or put an end thereto.

10. To manage lands, buildings and other properties situate as aforesaid whether belonging to the Company or not and to collect rents and income and to supply to tenants and occupiers and other refreshments, attendance messengers, light waiting rooms, reading rooms, meeting rooms, lavatories, laundry conveniences, electric conveniences, stables and other advantages.
11. To develop any land acquired by the Company or in which the Company is interested and in particular by laying out and preparing the same for building purposes constructing, altering pulling down, decorating maintaining furnishing fitting up and improving buildings and by planting paving draining letting on building lease or building agreement and by consolidating connecting or sub-dividing properties by leasing and disposing of the same and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others and also by promoting immigration establishing towns, villages and settlements.
12. To sell, exchange, let out, grant, leave and licence or otherwise dispose of all flats, tenements, garages, godowns, factory premises, warehouses, ships, offices and all other premises constructed by the Company at such price rent or compensation and on such terms and conditions as reasonable.
13. To construct, carry out, support maintain, improve, manage, work, operate, control and superintend water works, gas works, reservoirs, road, parks, schools, museums, places of recreation, recourses, baths, wash houses and any other works and conveniences which may seem directly or indirectly conducive to any of the objects and to contribute to or otherwise aid or take part in the construction carrying out, support, maintenance, improvement, management, working, operating, controlling and superintending the same.
14. To erect, construct, maintain, alter and extend on the land or ground of the Company buildings, houses warehouses, godowns, tanks, shops and sheds and to acquire in Maharashtra or elsewhere by purchase, lease assignment or otherwise, additional land with or without building and erect, construct, maintain, alter or extend thereon buildings, houses, warehouses, godowns, tank shops and shed as also to purchase and add or to otherwise provide machinery engines apparatus and any other plants.
15. To sell, resell, exchange and repurchase mortgage or let out on lease for any term of years or hire any land buildings plant machinery factories or premises belonging to the Company or which may be deemed necessary or convenient for the purpose of the Company's business.

16. To erect, constitute, carry on and continue the erection or construction of, improve, enlarge, alter or maintain buildings, structures and works of every kind necessary or convenient for the purposes of the Company or its business.
17. To acquire from time to time to manufacture and deal in all such stock-in-trade, goods, chattels, and effects as may be necessary or convenient for any business for the time being carried on by the Company.
18. To employ experts to examine and investigate into the conditions, prospects, value, character and circumstances of nay business, concern or undertaking and generally of the assets, property or rights.
19. To acquire, takeover and undertake the whole or any part of the business, property, assets, goodwill and liabilities of any business which this Company is authorized to carry on or processed of property suitable for the purposes of this Company.
20. To acquire and take over any business or undertaking carried on, upon or in connection with any land or building which this Company may desire to acquire or become interested in and the whole or dispose of or remove or put an end thereto.
21. To negotiate, and enter into agreements and contracts with foreign or other companies, firms and individuals for technical assistance, know-how and collaboration in setting-up and operation of the undertaking or undertakings, manufacturing, marketing, importing and exporting of the equipments, pants, apparatuses and other articles and things or any of them for all or any of the businesses of the Company, including plant, machinery and raw materials required for the purposes.
22. To borrow or raise moneys or loans for the purposes of the Company by promissory notes, bills of exchange, hundies and other negotiable or transferable instruments or by mortgage, charge, hypothecation or pledge, or by debentures or stock perpetual or otherwise including debentures or debenture-stock, convertible into shares of this Company, charged upon all or any of the Company's property and assets, both present and future, moveable and immoveable including its uncalled capital, upon such terms as the Directors may deem expedient or in such other manner, with or without security, as may be deemed expedient, or to take money on deposit or otherwise and to lend money to customers and others having dealings with the Company and to guarantee the performance of contracts by any such persons, and to execute all deeds, writings and assurances for any of the aforesaid purposes subject to provisions of Section 58-A and directives of Reserve Bank of India.

23. To advance and lend money open cash credits with or allow over-drafts to any person, association, firm or company with or without security or wholly or partly secured on any terms in any manner and upon any kind of property, movable or immovable, existing or future, and security, policies, shares, bonds, debentures, debenture-stock, letters of credit, promissory notes, bills of exchange and other lading and other Merchantile indicia or tokens or to deposit money with or without security, with other companies or with any person, association, individuals or firms upon such terms as may be thought proper and from time to time vary such transactions.
24. To open account, current or fixed or other accounts with any Bank, Bankers, Shroff or Merchant or to pay into and to withdraw money from such accounts.
25. To invest the surplus funds of the Company from time to time in such manner and in such assets, properties, securities, shares, bullion or investments or otherwise as may from time to time be determined by the Directors and from time to time sell or vary all such investment and to execute all assignments, transfers, receipts and documents that may be necessary in this behalf.
26. Upon any issues of shares, debentures or any other securities of the Company, to employ brokers, commission agents and underwriters, and to provide for the remuneration of such persons for their services by payment in cash or by issue of shares, debentures or other securities of the Company, by the granting of options to take the same or in any other manner allowed by law.
27. To enter into partnership or into any arrangements for sharing profits, union of interest, co-operation joint venture, reciprocal concession or otherwise, with any person or Company.
28. To act in conjunction with, unite or amalgamate with, create or constitute or assist or creating or constituting any other Company or Association of a kind similar wholly or partially to this Company for the purpose of acquiring all or any of the proportion rights, and liabilities of the Company or for any other purpose which may seem directly calculated to benefit this Company and to buy up or absorb all or any part of the business of any such Company or Association and to acquire and secure membership, seat privilege in and of any association exchange market or institution in India or any part of the world.
29. To enter into any arrangements with the Government of India or with any State Government or with any corporation, foreign state or with any foreign corporation, authority, body otherwise or with any person of with the Government of any foreign state or foreign corporation, authority, body or person that may seems conducive to the Company's objects or any of them and to apply for and obtain and to purchase or otherwise acquire or to join in

applying and obtaining and purchasing or otherwise acquiring from any such Government, State, Corporation, authority, body or person any rights, powers, privileges, licences, decrees, orders, sanctions, grants and concessions whatsoever (whether statutory or otherwise) that may seem conducive to the Company's objects or any of them of which the Company think it desirable to obtain and acquire and to carry out, exercise and comply with any such arrangements, rights, powers, privileges, licences, decrees, orders, sanctions, grants, and concessions and to oppose proceedings or applications.

30. To apply for and take out, purchase or otherwise acquire, any patents, patent rights or inventions, copy-right or secret, processes which may be useful for the Company's objects and to grant licenses to use the same.
31. To receive money on deposit merely for the purpose of financing the business of the Company, with or without allowances interest thereon. Subject to provisions of Section 58-A and directives of Reserve Bank of India.
32. To alter, develop, exchange, lease mortgage, underlet, sell or otherwise dispose of, improve or deal with the land, property, assets and rights and resources and undertaking of company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of the Company.
33. To pay all costs, charges, and expenses incurred or sustained in or about the promotion and establishment of the Company or which the Company shall construe to be preliminary, including therein the costs of advertising, commission for underwriting, brokerage, printing and stationery and the expenses attendant upon the formation of agencies and local boards.
34. To procure the incorporation, registration, or other recognition of the Company, to establish, maintain and regulate agencies, branch places and local registers for the purposes of the Company's business and to carry on business in any part of the world and to take steps as may be necessary to give the Company such rights and privileges in any part of the world as are possessed by local companies or partnership.
35. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit and give or procure the giving of donations, gratuities, pensions, allowances, or emoluments to any persons who are or were at time in the employment or service of the Company which is subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are or were at any time Directors or Officers of the Company or of any such other company as aforesaid and the wives, widows, families and

dependents of any such persons, and also establish and subsidize and subscribe to any institutions, including in particular, any cafeterias, canteens or clubs, or funds calculated to be for the benefit or to advance the interests and well-being of the Company or of any such other company as aforesaid and make payments to or towards the insurance of any such person as aforesaid and to do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

36. To provide for the welfare of the Directors or Ex-Directors of the Company and wives, widows and families of such persons, by buildings or contributing to the building of houses, dwelling houses, chawls or by grants of money, pensions, allowances, bonus or other payments or by creating and from time to time subscribing to provident and other funds and by providing or subscribing towards schools, places of instructions, and recreation and hospitals, dispensaries, medical and other attendance and other assistance as the Company shall think fit, and to form subscribe to or to otherwise aid benevolent, religious, scientific, national, public or other institutions or other objects or purposes.
37. To subscribe or contribute or otherwise assist or to grant money or charitable, benevolent, religious, scientific, national, public, institutions objects or purposes or for any exhibition.
38. To sell, dispose of or transfer the business, property and undertaking of the Company or any part thereof for any consideration which the Company may deem fit to accept and in particular for shares, debentures, debenture-stock, bonds or securities of any other company having objects altogether or in part similar to those of this Company, to promote any other company or companies.
39. To create any reserve fund, sinking fund, insurance fund, dividend equalization fund or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company.
40. To create any reserve fund, sinking fund, insurance fund among the members, or otherwise to apply as the Company may from time to time, think fit, any money received by way of premium on shares or debentures issued at a premium by the Company, and any moneys received in respect of dividends accrued on forfeited shares and moneys arising from the sale by the Company of forfeited shares or from unclaimed dividends.
41. To distribute any of the property and assets of the Company among the members in specie or kind subject to the provisions of the Companies Act, 1956 in the event of winding up.

42. To adopt such means of making known the activities and products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of work of art or interest, by publication of books, pamphlets and periodicals and by granting prizes, rewards and donations.
43. To invest company's funds in acquiring and holding shares to acquire any shares, stocks, debentures, debenture-stock, bonds, obligations or securities by original subscription, tender, purchase exchange or otherwise and to subscribe for the same either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
44. To give donations and to advance and lend money to any person, institution, organization, trust, fund, etc. on such terms and conditions and with or without interest or at concessional rate of interest as may seem expedient for the fulfilment of the objects contained in the above clauses 84, 85 & 86.

(C) THE OTHER OBJECTS:

45. To carry on business of buying, selling or otherwise dealing in land (leasehold or freehold) and buildings or flats or tenements or shops, offices, and other premises in such other buildings.
46. To grant lease, sub-lease or licences in respect of land, buildings and tenements, shops, offices, godowns and other premises with or without furniture, fixtures, fittings, amenities therein.
47. To promote the consideration and discussion of all questions affecting the building trade (which expression in the Memorandum includes the trade of buildings and or contractors for the execution or public and private works and all ancillary and allied trades and every branch of any such trade) and generally to watch over and protect the interests of persons engaged in the building trade.
48. To buy, purchase, sell, lease, take on lease exchange or otherwise acquire lands, buildings and hereditaments of any tenure of description in India or elsewhere for residential business, manufacturing or other purposes and any rights, easements, advantages, manufacturing or other purposes, and any rights, easements, advantages and privileges relating thereto and either for investment or resale or for trafficking in the same and to turn the same into account and to construct, alter, improve, decorate, develop, furnish and maintain offices, flats, houses, factories, warehouse, godowns, shops and buildings and other structures works and convenience of all kinds of any of the lands or immovable properties purchased or acquired by the Company and to lease, sell, deal in or

to otherwise dispose of the same.

49. To carry on business as importers, exporters, import agents, buyers and sellers of mechanical, electrical, refrigeration, air-conditioning, pharmaceutical, chemical and other products, apparatus, tools, appliances, and all kinds of foodstuff, canned or otherwise, including meat, sheep, pigs, poultry game and other live and dead stock, milk cream, butter, cheese, eggs, sausages, preserved meat and other commodities, articles, goods or things of every description and as general merchants.
50. To transact, deal in or carry on all kinds of agency business, and subject to the provisions of any law for the time being in force, in particular in relation to the collection payment, remittance and transmission of monies, securities and valuables or investment of the same purchase, sale and improvement, development, management of property including business concerns and undertakings.
51. To carry on the business of chemists, druggists, dry-salters, oil and colour men, importers, exporters and manufacturers of and dealers in pharmaceutical, medicinal, chemical, industrial and other preparations and articles, compounds, oils paints, pigments, and varnishes, drugs, dyeware and paints and colour grinders.
52. To carry on business as merchants, traders, commission agents, brokers, adaties or in any other capacity in India or elsewhere and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise deal in goods, produce, articles and merchandise.
53. To purchase, sell or dispose of for cash on or credit either in India or elsewhere, for immediate or future delivery and to import, export, manipulate, prepare for market deal in, and otherwise carry on business in kapas, cotton jute, jute hessian and other fibres, gunnies wool, silk, rayon, cloth, piece-goods, clothes and garments, (readymade or otherwise).
54. To carry on the business of stationers, printers, lithographers, stenotypers, electro-typers, photographic printers, photo-lithographers, engravers, dyesinkers, envelope manufacturers, book binders, account book manufacturers, machine rulers, numerical printers, paper makers, cardboard manufacturers, type foundries, photographers, manufacturers and dealers in playing, visiting, railway, festive, complimentary and fancy cards, and valentines, dealers in parchment, dealers in stamps, agents for the payment of stamp and other duties, advertising agents, designers, draughtsmen, ink-manufacturers, book-sellers; publishers, paper manufacturers and dealers in the materials used in the manufacture of papers, or dealers in or manufacturers of any other articles or things of character similar or analogues to the foregoing

or any of them or connected therewith.

55. To carry on the business of soap manufacturers to buy, sell, manufacture, refine, prepare and deal in all kinds of oil and oleaginous and saponaceous substances and all kinds of unguents and ingredients and to carry on business as pharmaceutical, manufacturing and general chemists and druggists and manufacturers of and dealers in all kinds of toilet requisites and manufacturers of all kinds of boxes and cases wholly of card, wood, metal or otherwise and printers, colour-printers, publishers, stationers, candle makers, manufacturers of perfumes, collectors of flowers, and perfume producing vegetation.
56. To carry on business as goldsmiths, silversmiths, jewellers, gem merchants, watch and clock makers, electro-platers, dressing bag makers, and importers, and exporters of bullion and to buy, sell and deal in (wholesale or retail) precious, stones, jewellery, watches, clocks, gold and silver plate, electroplate, cutlery dressing bags, bronzes, articles of vertu, objects of art in relation to its business, and to manufacture and to establish factories for manufacturing goods for the above business.
57. To cultivate grains, seeds, cotton, wheat, tea, coffee, rubber or other products and to carry on and work the business of cultivators, buyers, sellers and brokers of every kind of vegetable, mineral or other produce of the soil, to prepare, manufacture and render marketable any such produce, and to sell, dispose of and deal in any such produce, either in its prepared, manufactured or new state and either wholesale or retail.
58. To carry on the business of spinning, weaving, manufacturing and or dealing in cotton, staple fibre, artificial silk and other fibrous, substances and any yarn manufactured out of the said substances and the preparation, dyeing or colouring or any other processing of any of the said substances or its products, and the sale of yarn, cloth and other manufactured fibrous products.
59. To carry on the business of manufacturing, refiners, distributors, importers and exporters of and dealers in all kinds of milk and other food products such as milk, condensed milk, evaporated milk, powdered milk, infant food, butter, cheese, cream, dietetic products, cocoa, chocolate, coffee, tea and other preparations, and beverages and as confectioners, dairymen, grocers, general provision merchants, refreshment contractors and chemists.
60. To carry on business as importers, exporters, import agents, manufacturers, buyers and sellers of mechanical electrical, refrigeration, air-conditioning, apparatus, tools, appliances and all kinds of food stuff, canned or otherwise including meat, sheep, pigs, poultry, preserved meat and other commodities, articles, goods or things of every description.

61. (a) To import foreign films, machinery, apparatus, camera and to export Indian films to foreign countries.
(b) To purchase films or to take on hire films from other persons, and to release on hire the same and, to carry on the business of distributors, exhibitors, producers, financiers and manufacturers of silent and talking films for entertainment, amusement, publicity, education and instruction.
62. To carry on the business of proprietors, agents, managers, lessees, hirers, partners of studios, theatres, places of amusements or entertainment music halls, cinemas, picture places and concert halls.
63. To carry on business as importers, exporters, import agents, buyers and sellers of commodities, articles, goods or things and as general merchants and commission agents.
64. To apply for purchase or otherwise acquire and obtain in any part of the world exclusive and other interests in copyright and rights or representation and any other rights of or in any photo plays, dramatic plays, operas, burlesques, vaudeville, revues, bellers, pantomines, musical compositions songs, words, comedies, compositions and any published or unpublished books and stories or any musical or other artistic production.
65. To arrange, to produce, secure, procure, acquire, retain, purchase, publish, dispose off and distribute films of every description and kinds and dialogues, dramas, published and unpublished books, plays, stories, musical production, photos and similar objects and copyrights therein, periodically or permanently and to enter into financial and other arrangement for the aforesaid purposes.
66. To carry on the business of motion picture, exhibitors, producers and for those purposes to construct or acquire cinemas, studios, offices, locations, properties, apparatus, scenery, sound and recording apparatus, lighting apparatus and all other apparatus and machinery for the production of motion picture producers.
67. To develop, experiment and carry on any research for the improvement of motion pictures, colour photography, sound reproduction, television and any other process tending to improve to motion pictures or any other entertainment given to places where motion pictures are produced.
68. To act as Service Agents for providing after sales, services in respect of products manufactured by the Company as also other technical services in respect of other products generally and to carry on business as marketing technical consultants both in internal and external markets.
69. To carry on the business or vocation of acting as advisors and consultants on all matters and problems relating to the Technical, Industries, Civil,

Administration, Finance and Organisation, Management, Commencement or expansion of industry, purchasing techniques and business including construction of plants and buildings, production, purchases, sales, material and cost control, marketing advertisement, publicity, personal, export and import to and for institutions, concern, bodies, associations (incorporated or unincorporated) departments and services of the Government, public or local authorities, Trusts, Scientific Research and Development Centres, and to be appointed as technical, financial, Industries, administration, civil consultants.

70. To carry on the business of and act as consultants and advises in all their respective branches, including without prejudice to the generality of the above matters, technical, commercial, financial or business and in such firm, company or body corporate or authority or Government which may be given or rendered while carrying on such business as aforesaid which may lead to or be rendered while carrying on such business as aforesaid which may (1) efficient methods of management (2) economy in manufacturing costs or cost of production or administration (3) increase in production (4) handling of financial commercial, industrial and technical dealings with and in particular agreements for collaboration, joint ventures or the acquisition or disposal of assets including the know-how.
71. To enter into and/or procure any arrangements with person, firm or company in or outside India for obtaining or supply of technical know-how and or technical and or administrative services within India or outside India including the benefit of existing techniques, benefit of technical research, training of technical or administrative personnel abroad, selection and purchase of plant and negotiating the terms for payment and specification for the plant and payment out of the plant and all other services.
72. To act as Selling Agents, Sales Organisers as well as Consultants, Agents and advisers in all the respective branches and in such capacity to give advices and information and render advices in person, a firm, company or body incorporate or authority or Government which may lead to or be conducive to the adoption by the constituents or principals generally of:
 - (i) Efficient methods of effecting sales and marketing goods.
 - (ii) Economy in effecting sales and marketing goods
 - (iii) Rendering of all Services whether incidental to the above or not
73. To investigate on behalf of any company, corporation, body corporate, industries, firm, association, or any person and
 - (a) Collect information and data and submit reports, feasibility of new projects and/or improvements to or expansion of existing projects and

- (b) diagnose operational difficulties and weakness and suggest remedial measures to improve and moderate existing units.

To prepare and submit overall and detailed plans for civil and industrial execution to any company, corporation, body corporate, industries, firm, association or any other person with regard to:

- (a) New projects and/or
- (b) Improvement and/or expansion of the existing projects.

- 74. To enter into any arrangement by way of a turnkey project involving supply of technical, civil, financial, administrative, plant and merchandise, information, knowledge and experience and as such, undertake for and on behalf of a client to set up any plant or project in or outside India.
- 75. To carry on business and to undertake and carry out and execute financial and other operations and to carry out any other business as defined in banking regulation Act, 1949 and in insurance act, 1938 (except insurance and banking business).
- 76. To carry on business as builders, contractors, developers and promoters of Co-operative Societies and deal in real estates business by constructing, re-constructing, altering, improving, offices, flats, houses, factories, warehouses, ships, building, works and conveniences by consolidating, connecting and subdividing immovable properties and by leasing and disposing of the same. To establish, maintain conduct and carry on the business of Estate owners, dealers and Agents and estate developments.
- 77. To purchase for investment or resale to traffic in land and house or other property of any tenure and any interest therein and to erect sell and deal in freehold and acquire leasehold land and to make advances upon the security of land and house or other property or any interest thereon and generally to deal by way of sale, lease exchange or otherwise with land and house property and other immovable property.
- 78. To manufacture, purchase, sell and deal in chemicals by-products, plastics, synthetic, nylon products.
- 79. To manufacture, purchase, sell and deal in electronic products, computers, household appliances, watch clock calculating machines, apparatuses.
- 80. To carry on the business as advertisers and sell and purchase gifts articles, and advertising agents for all types of business.
- 81. To carry on the business of hire-purchase, leasing, factoring, financing of hire

purchase, lease of all kinds of plant and machineries, motor vehicles, motor boats, trawlers, launches, ships, vessels, helicopters, aircrafts, automobiles, computers or any other equipment and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind, to carry on business as investors and dealers in shares, stocks and securities, capitalists, financiers, concessionaires and to undertake, carry on and execute all kinds of financial, operations(except banking and insurance business under Banking Regulation Act, 1949 and the Insurance Act, 1938).

82. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what to be social and moral responsibilities of the Company to the public or any section of the public as also any activity to promote national welfare or social, economic or moral uplift of the public or any section of the public and in such manner and by such means in order to implement any of the above mentioned objects or purposes transfer with consideration or at such fair or concessional value and divest the ownership of any property of the Company to or in favour of any public or local body on authority of Central or State Government or any public institutions or trusts or funds or any other agency devoted to the work of rural development.
83. Without prejudice to the generality of the foregoing, to undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc. or for organizing lectures, conferences or seminars, workshops, training programmes likely to advance the aforesaid objects or for giving merit awards, scholarships loans or any other assistance to institutes, deserving students or other scholars or consultants or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, trust, etc. having any one of the aforesaid objects as one of its objects.
84. To carry on business of its own account or on account of its constituents as buyers, sellers, importers, exporters, agents, dealers, of all or any of the goods and things in which the Company is authorized to deal.

AND IT IS HEREBY DECLARED THAT:

The word 'Company' in this Memorandum when applied otherwise than to this Company shall be deemed to include any authority, partnership or body of persons whether incorporated or not, whether domiciled in India or elsewhere.

IV. The liability of the members is limited.

V. * The Authorized Share Capital of the Company is Rs.598,10,00,000/- (Rupees Five Hundred Ninety Eight Crore and Ten Lakhs only) divided into 38,21,00,000 Equity Shares of Rs.10/- (Rupees Ten) each, 20,000, 0.00% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.100,000/- (Rupees One Lakh) each and 1,600, 0.001% Non-Cumulative Redeemable Preference Shares of Rs.100,000/- (Rupees One Lakh) each, with the rights, privileges and conditions attaching thereto as provided by the Articles of Association of the Company for the time being with power of the Company to increase or reduce such capital original or increased with or without any preference, priority or special privileges or subject to any postponement of rights or to any conditions or restrictions, and so that unless the conditions of issue otherwise expressly declare, any issue of shares, whether declared to be preference or otherwise shall be subject to the power hereinbefore contained.

- * Substituted vide Ordinary Resolution passed at the Extra Ordinary General Meeting of the Company held on 10th November, 2006.
- * Substituted vide Ordinary Resolution passed at the Annual General Meeting of the Company held on 22nd September, 2017.
- * Substituted vide NCLT Order dated 14th March, 2018.
- * Substituted vide Ordinary Resolution passed at the Extra-ordinary General Meeting of the Company held on 4th June, 2018.
- * Substituted vide Ordinary Resolution passed at the Extra-ordinary General Meeting of the Company held on 9th January, 2019.
- * Substituted vide NCLT Order dated 19th May, 2023.

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

Name, Address, Description and Occupation of each Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Signature of Witness and his name, address, description and occupation
Chandru Lachmandas Raheja S/o Lachmandas Sevaram Rah Raheja House, Pali Hill, Bandra, Bombay- 400 050 Business	2(Two)	Sd/-	Sd/ Mr. Shantilal Dand, S/o Late Lalji Dand, Company Secretaries, Co-op Insurance Building, 3 rd Floor, Sir P. M. Road, Bombay-400 001.
Suresh Lachmandas Raheja S/o Lachmandas Raheja Raheja House, Pali Hill, Bandra, Bombay- 400 050 Business	2(Two)	Sd/-	
	4(Four) Equity Shares		
Total.. . . .			

Bombay dated this 16th day of December, 1985.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 642 OF 1997

CONNECTED WITH

COMPANY APPLICATION NO. 341 OF 1997.

In the matter of the Companies
Act, 1956 (I of 1956)

and

In the matter of Section 391 and 394 of the
Companies Act, 1956:

and

In the matter of Scheme of Amalgamation
between MARBLE ARCH PROPERTIES &
HOTELS PRIVATE LIMITED with KENWOOD
HOTELS PRIVATE LIMITED

KENWOOD HOTELS PRIVATE LIMITED)
a company incorporated under the Companies)
Act, 1956 having its Registered office at)
Construction House - A 24th Road, Khar,)
Mumbai - 400052.)) Petitioner

Coram : A. P. Shah J.

Date : 16th October, 1997.

Upon the petition of KENWOOD HOTELS PVT. LTD. the petitioner abovenamed, presented to this Honourable court on the 5th day of August, 1997 for sanction of the Scheme of Amalgamation between MARBLE ARCH, PROPERTIES & HOTELS PRIVATE LIMITED (hereinafter referred to as "the Transferor company" or "Marble") and KENWOOD HOTELS PRIVATE LIMITED, (hereinafter referred to as "the Transferee Company" or "Kenwood") and for other consequential reliefs as 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. Ravi Raheja, Director of the Petitioner company solemnly affirmed on 5th day of August, 1997 verifying the said Petition AND UPON READING the affidavit of Shri Rajesh Indulal Shah dated 16th day of October, 1997 proving publication of the notice of the date of hearing of the Petition in the issue of "Free

Press Journal" dated 19th day of August, 1997. "Janmabhoomi" dated 19th day of August, 1997 and "Maharashtra Government Gazette" dated 11th day of September, 1997 AND UPON READING THE order dated 31st day of July, 1997 made by this Honourable Court in Company Application No. 341 of 1997 thereby convening and holding of the meeting of the Equity Shareholders of the Petitioner Company for the purpose of considering and if thought fit approving with or without modification the proposed Scheme of Amalgamation between MARBLE ARCH PROPERTIES & HOTELS PRIVATE LIMITED), the Transferor Company and KENWOOD HOTELS LTD. and the transferee Company, was dispensed with in view of the consent in writing given by all the Equity shareholders of the Petitioner Company which are annexed as Exhibits "F-1" & "F-2" to the affidavit in support of the said Company Application No. 341 of 1997 and the convening and holding of the meeting of the Unsecured Creditors were also dispensed with in view of the consent in writing given by all the Unsecured Creditors of the Petitioner Company which are annexed as Exhibits "G-1" to "G-10" to the affidavit in support of the said Company Application No. 341 of 1997 AND UPON HEARING Mr. Rajesh Shah of M/s Rajesh Shah & Co. Advocates for the Petitioner Company, Mr. H. K. Vardhan, Panel counsel for Regional Director, Department of Company Affairs, Mumbai who appears in pursuance of the notice herein dated 12th day of August, 1997 under section 394 (A) of the Companies Act, 1956 and submits to the Orders of the Court and no other person or persons entitled to appear at the hearing of the Petition appearing this day either to support the Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Scheme of Amalgamation between MARBLE ARCH PROPERTIES & HOTELS PRIVATE LIMITED the Transferor Company and KENWOOD HOTELS PRIVATE LIMITED, the Transferee Company as set forth in Exhibit "E" to the said Petition and also in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE that the said Scheme of Amalgamation to be binding on the Transferor Company and the Transferee company and also on respective members and Creditors of the Transferor company and the Transferee Company AND THIS COURT DOTH ORDER that with effect from 1st day of August, 1997 (hereinafter referred to as "Appointed Date") the entire undertaking of Marble shall pursuant to Section 394 (2) of the Companies Act, 1956 and without any further act, instrument or deed be and the same shall stand transferred to and vested in and/or deemed to be transferred to and vested in Kenwood as a going concern AND THIS COURT DOTH FURTHER

ORDER that with effect from the Appointed Date the all assets and liabilities as on the close of business on the day immediately preceding the Appointed Date shall become the assets and liabilities of Kenwood and Kenwood undertakes to meet, discharge and satisfy the same to the exclusion of Marble AND THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date. All legal or other proceedings by or against Marble shall be continued and enforced by or against Kenwood only AND THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date, Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which Marble is a party subsisting or having effect immediately before this scheme becomes operative shall remain in full force and effect against or in favour of Kenwood and may be enforced as fully and effectually as if instead of Marble, Kenwood had been a party thereto AND THIS COURT DOTH FURTHER ORDER THAT with effect from the effective date, Consequent upon the transfer and vesting in Kenwood of the entire Undertaking of Marble, Kenwood shall, upon the Scheme of Amalgamation becoming fully effective:

- i) issue and allot to every Preference shareholder of Marble whose names shall appear in the Register of Members of Marble on the Appointed Date, One (1) fully paid up 4% Non-cumulative Redeemable Preference Share of the face value of Rs. 100/- each in Kenwood Credited as fully paid for every one (1) fully paid up 4% Non-cumulative Redeemable Preference share of Rs. 100 each held in Marble and
- ii) these shares shall rank pari passu with the existing Preference Shares in Kenwood and
- iii) the entire equity capital of the Marble consisting of 740 equity shares of Rs. 100 each held by Kenwood shall be cancelled

AND THIS COURT DOTH FURTHER ORDER THAT the Petitioner Company do within 30 days of the sealing of the said order cause a certified copy of this order to be delivered to the Registrar of Companies, Maharashtra State, Mumbai for registration and on such certified of order being so delivered the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall place all the documents relating to the Transferor Company and register with him on the file kept by him in relation to the

Transferee Company and the files relating to the Transferor Company and the Transferee Company shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER THAT the liberty is reserved to the Petitioner and all other persons interested in this petition to apply to this Hon'ble Court herein as and when occasion may arise for any direction that may be necessary AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 500/- (Rupees Five Hundred Only) to the Regional Director, Department of Companies Affairs, Maharashtra State, Mumbai towards the cost of the Petition, WITNESS SHRI MANHARLAL BHIKHALAL SHAH, the Chief Justice at Bombay aforesaid this 16th day of October, 1997.

By the court

Sd/- U. G. MUKADAM

For Prothonotary & Senior Master

Seal

Sd/- U. G. Mukadam

Sealer, This 27th day of November, 1997

ORDER sanctioning the Scheme of)
Amalgamation under Section 391)
to 394 of the Companies Act,)
1956 drawn on the Application)
of M/S. RAJESH SHAH & CO. advocates)
for the Petitioner,)
having their office at 104,)
Bajaj Bhavan, Nariman Point,)
Bombay- 400 021)

SCHEDULE
SCHEME OF AMALGAMATION

OF

MARBLE ARCH PROPERTIES & HOTELS
PRIVATE LIMITED

WITH

KENWOOD HOTELS PRIVATE LIMITED

I. DEFINITIONS:

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

- 1.1 a) "Marble" means MARBLE ARCH PROPERTIES & HOTELS PRIVATE LIMITED, a Company incorporated under the Companies Act, 1956, having its registered office at Construction House-A, opp. Khar Telephone Exchange, 24th Road, Khar, Mumbai - 400 052. (hereinafter also referred to as the "Transferor Company")
- b) "Kenwood" means KENWOOD HOTELS PRIVATE LIMITED, a Company incorporated under the Companies Act, 1956 having its registered office at Construction House - A, Opp. Khar Telephone Exchange, 24th Road, Khar, Mumbai - 400 052. (hereinafter also referred to as the "Transferee Company").
- 1.2 "The Act" means the Companies Act, 1956.
- 1.3 "The Scheme" means this Scheme of Amalgamation in its present form or with any modifications approved or imposed or directed by the Honorable High court at Bombay.
- 1.4 "The Appointed Date" means 1st August, 1997 or such other date as the High Court of Judicature at Mumbai may direct.
- 1.5 "The Effective Date" means the date on which the certified copies of the High Court order sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefor.

II SHARE CAPITAL

- 2.1 The Authorised Share Capital of Marble as on 1st April, 1997 is Rs. 30,00,000 divided into 25,000 Equity Shares of Rs. 100/- each and 5,000 - 4% Non-cumulative Redeemable Preference Shares of Rs. 100/- each.

The issued, subscribed & paid up share capital is Rs. 1,00,000 divided into 740 Equity Shares of Rs. 100/- each fully paid and 260 4% Non-cumulative Redeemable Preference Shares of Rs. 100/- each fully paid. The entire issued equity capital of Marble is held by Kenwood. The entire preference capital is held by a Public Limited Company. Accordingly by virtue section 43A of the Act Marble is a deemed limited company. It has made necessary application with the Registrar of Companies for change of name, which is pending.

- 2.2 The Authorised share capital of Kenwood as on 1st April, 1997 is Rs. 5,00,000/- divided into 4,000 Equity Shares of Rs. 100/- each and 1,000 - 4% Non-cumulative Redeemable Preference Shares of Rs. 100/- each.

The issued, subscribed & paid up share capital is Rs. 1,00,000 divided into 740 Equity Shares of Rs. 100/- each fully paid and 260 - 4% Non-cumulative Redeemable Preference Shares of Rs. 100/- each fully paid. Since Kenwood holds the entire Equity Capital of Marble, by virtue of Sections 43A of the Act Kenwood is a deemed limited company. It has made necessary applications with the Registrar of Companies for change of name, which is pending.

III TRANSFER OF UNDERTAKING

With effect from the 1st day of August 1997, being the Appointed Date :-

- 3.1 The entire Undertaking of Marble including all the properties, immovables, movables and assets of whatsoever nature such as licenses, permissions, orders, leases, tenancy rights and all other rights, title, interest, powers, authorities and privileges of every kind, nature and descriptions whatsoever subject to all debts, liabilities, duties and obligations shall be transferred to and vested in Kenwood without further act or deed, under the provisions of Sections 391 and 394 of the Act.

3.2 With effect from the Appointed Date and upto and including the Effective Date :

- a) Marble shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Undertaking for and on account of and in trust for Kenwood. Marble hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- b) Marble shall carry on its business and activities with reasonable diligence, business prudence and shall not (without the prior written consent of Kenwood) alienate, charge, mortgage, encumber or otherwise deal with or dispose of its assets or any part thereof except in the ordinary course of business.
- c) All the profits or income accruing or arising to Marble or expenditure or losses arising or incurred or suffered by Marble shall, for all purposes, be treated and be deemed to be and accrue as the income or profits or losses or expenditure, as the case may be of Kenwood.
- d) Marble shall not utilise the profits, if any, for any purpose including of declaring or paying any dividend in respect of the period falling on and after the Appointed Date. Similarly Marble shall not utilize, adjust or claim adjustment of the profits/losses, as the case may be, earned/incurred or suffered after the Appointed Date other than that earned/incurred or suffered in the ordinary course of its business.
- e) Marble shall not allot any Equity Shares after the Appointed Date. Kenwood shall not transfer the Equity Shares of Marble held by it.

3.3 Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which Marble is a party, or to the benefit of which Marble may be

eligible and which are subsisting or operative or having effect immediately on or before the Effective Date, shall remain in full force and effect in favour of or against Kenwood as the case may be and may be enforced as fully and effectively as if instead of Marble, Kenwood had been a party or beneficiary thereto.

3.4 All legal proceedings by or against Marble pending at the Appointed Date and relating to Marble, or the property, assets, debts, liabilities, duties and obligations referred to above, shall be continued until the Effective Date as desired by Kenwood and at its costs and risks and as and from the Effective Date shall be continued and enforced by or against Kenwood in the same manner and to same extent as it would or might have been continued and enforced by or against Marble.

3.5 On the Scheme becoming effective:

- i) Kenwood shall record the Assets and Liabilities recorded in the Books of Account of Marble, being Assets and Liabilities of the Undertaking and transferred to and vested in Kenwood, pursuant to this Scheme, at their book values as on the Appointed Date.
- ii) Kenwood shall credit in its books of accounts, the face value of the Shares issued by Kenwood pursuant to this Scheme, to the Share Capital Account.
- iii) The excess, if any, of the value of Assets over the value of Liabilities of Marble upon their transfer to and vesting in Kenwood, after adjusting for the face value of the Shares to be issued and allotted by Kenwood shall, after writing off the value of any unadjusted expenditure/loss or any intangible assets be credited by Kenwood:
 - (a) to the extent of the amount of Reserve and Surplus of Marble as on the Appointed Date to the corresponding Reserve/Surplus Account of Kenwood, and in respect of the balance, if any, to the Capital Reserve Account of Kenwood

OR

- (b) in the event of there being a shortfall (after such adjustment), the same shall be debited to Goodwill Account in the books of Kenwood.

IV. ACTS OF MARBLE AFTER THE APPOINTED DATE

The Transfer of properties and liabilities under clause 3.1 above and the continuance of proceedings by or against Marble under Clause 3.4 above shall not affect any transaction or proceedings of Marble already concluded by Marble on and after the appointed Date to the end and intent that Kenwood accepts and adopts all acts, deeds and things done and executed by Marble in respect thereof as done and executed on behalf of itself.

V. DISSOLUTION OF MARBLE WITHOUT WINDING UP

On the Scheme becoming effective, Marble shall be dissolved without winding up.

VI. ISSUE OF SHARES BY KENWOOD

- 6.1 The Arrangement of Marble with Kenwood will be made on the basis that Kenwood shall issue and allot in its capital at par, credited as paid up to the extent indicated below, to the Preference shareholders of Marble whose names appear in the Register of Members on Appointed Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of Marble and approved by them to be placed on its register of members as holding Preference Shares in the following proportion viz.:-

One (1) fully paid up 4% Non-cumulative Redeemable Preference Share of Rs. 100/- each of Kenwood shall be issued and allotted at par, for every one (1) fully paid up 4% Non-cumulative Redeemable Preference Share of Rs. 100/- each held in Marble. Those Shares shall rank *pari-passu* with the existing Preference Shares.

- 6.2 Kenwood holds entire issued Equity Share Capital consisting of 740 Equity shares of Rs. 100/- each in Marble. These shares shall stand cancelled on the Scheme becoming effective.

VII APPLICATION TO HIGH COURT

Marble and Kenwood shall with all reasonable dispatch, make applications to the High Court of Judicature at Mumbai where the Registered Offices of Marble and Kenwood are

situated, for sanctioning this Scheme of Arrangement under Section 391 of the Act and for an order or orders under Section 394 thereof for carrying this scheme into effect.

VII MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 8.1 Marble and Kenwood by their Directors may assent, on behalf of all persons concerned to any modifications or amendments of this Scheme or of any conditions which the Court may deem fit to approve of or impose and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.
- 8.2 For the purpose of giving effect to this Scheme of Arrangement or to any modification thereof the Directors of Marble and Kenwood may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise in case of issue and allotment of shares.

IX. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

This scheme is conditional upon and subject to-

- a) the sanction or approval of such authorities concerned, being obtained and granted in respect of any of the matter in respect of which such sanction or approval is required;
- b) sanction by High court of Judicature at Mumbai under Section 391 of the Act and to necessary order or orders under section 394 of the said Act being obtained.

CERTIFIED TO BE A TRUE COPY

On 29th day of November 1997

Sd/-

By PROTHONOTARY & SENIOR MASTER

IN THE HIGH COURT OF JUDICATURE
AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 642 OF 1997
CONNECTED WITH
COMPANY APPLICATION NO. 341 OF 1997
In the matter of the Companies Act, 1956 (I of 1956);

AND

In the matter of Section 391 and
394 of the Companies Act, 1956;

And

In the matter of Scheme of Amalgamation between
MARBLE ARCH PROPERTIES & HOTELS
PRIVATE LIMITED
with
KENWOOD HOTELS PRIVATE LIMITED.

.... Petitioner.

CERTIFIED COPY OF
ORDER SANCTIONING THE SCHEME
OF AMALGAMATION

Dated this 16th day of October, 1997
Filed this 27th day of November, 1997

M/s. RAJESH SHAH & CO.
Advocates for the Petitioner.
104, Bajaj Bhavan,
Nariman Point,
Bombay - 400 021.

HIGH COURT, BOMBAY

U4U6364

CERTIFIED TRUE COPY

For Chalet Hotels Limited,

Sanjay K.

Company Secretary

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.371 OF 2006 IN C.A. NO.580 OF 2006
WITH
COMPANY PETITION NO.487 OF 2006 IN C.A. NO.581 OF 2006

Neerav Properties and Hotels Pvt. Ltd.

Chalet Hotels Limited.

..Petitioners.

Ms. Kanika Premnaranjan 1/by M/s. Wadia Bhandy & Co.
for the petitioners.

Ms. S.V. Gautam, Dy. U.L. present.

Mr. R.C. Master 1/by S.S. Sarkar for the Regional
Director.

CURAM MR. S. MURTHY J.
DATED 10/7/2006.

P.C.

1. Company Petition No.371 of 2006 is filed by the transferor company Neerav Properties and Hotels Private Ltd. whereas Company Petition No.487 of 2006 is filed by transferee company Chalet Hotels Limited. These petitions seek sanction of this court to the Scheme of Amalgamation between the transferor and transferee company, which scheme is set out in Exn.B attached to the Company Petition No.371 of 2006. On behalf of the petitioners it is stated that all the statutory requirements under the Companies Act have been complied with. After advertisement there is no objection



HIGH COURT, BOMBAY

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received from any share holder. The copies of these petitions have been served upon the Regional Director who has sent the petitions to the Registrar of Companies and has obtained report. After examining the said report, Regional Director has certified that the scheme is not prejudicial to the interest of the creditors and shareholders and to the public. Only grievance made by the Regional Director is that the companies should be directed to furnish the latest financial position. By further affidavit dated 31.8.2006 which is tendered today, the latest financial position of both the companies are placed on record. Copies of these affidavits have been served upon the advocate for the Regional Director and on perusal of the same, it appears that he has no objection for grant of these petitions. Company Petition No.3/1 of 2006 is also served upon the Official Liquidator and the Audit Report of the said company has been checked by the Chartered Accountant. On the basis of the Chartered Accountant's report, Official Liquidator has filed his report dated 28.8.2006 and submitted that the affairs of the transferor company have not been conducted in a manner prejudicial to the interest of the members or to public interest. Taking into the aforesaid circumstances, I am inclined to allow these petitions. Both the Company Petition No.3/1 of 2006 and 487 of 2006 are allowed in terms of prayer clause (a) to (1). Both the petitioners shall pay costs of Rs.2500/- to the Regional Director. In addition,



HIGH COURT, BOMBAY

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petitioner in Company Petition No. 371 of 2006 to pay costs of Rs. 2500/- to the Official Liquidator. Costs to be paid within a period of three weeks from today.

2. Parties to act on a copy of this order certified by the Company Registrar. Making up of a drawn up order is dispensed with. Both the petitions stand disposed off accordingly.

(R.S. NUNIE, J.)



TRUE-COPY

M. D. Narvekar
M. D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

TRUE COPY

S. V. Samant
Section Officer
High Court, Appellate Side
Bombay.

12/03/2006

DRAFT SCHEME OF AMALGAMATION
Under Sections 391 and 394 of the Companies Act, 1956
OF
NEERAV PROPERTIES AND HOTELS PRIVATE LIMITED.
WITH
CHALET HOTELS LIMITED.

1. This Scheme of Amalgamation provides for amalgamation of Neerav Properties and Hotels Private Limited with Chalet Hotels Limited under Sections 391 and 394 and other relevant provisions of Companies Act, 1956. The Scheme set out herein shall come into force with effect from 1st April, 2006, (hereinafter called "the Appointed Date").

2. **DEFINITIONS:**

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

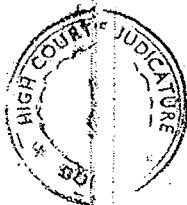
(a) "THE TRANSFEROR COMPANY" means NEERAV PROPERTIES AND HOTELS PRIVATE LIMITED, a private limited Company incorporated and registered under the provisions of the Companies Act, 1956 and having its registered office, at Construction House A, 24th Road, Khar (West), Mumbai- 400 052.

(b) "THE TRANSFEREE COMPANY" means CHALET HOTELS LIMITED a public limited Company incorporated and registered under the provisions of the Companies Act, 1956 and having its Registered office at Construction House A, 24th Road, Khar (West), Mumbai- 400 052.

(c) "THE SAID ACT" means the Companies Act, 1956.

(d) "THE APPOINTED DATE" means 1st day of April, 2006 or such other date as the High Court of Judicature at Bombay may direct.

(e) "THE EFFECTIVE DATE" means the date as more particularly defined in Clause 15 hereinafter, i.e. date on which certified copies of the Orders of the High Court of Judicature at Bombay under Sections 391, 392 and 394 of the said Act are duly filed



with the appropriate Registrar of Companies, Maharashtra or such other dates as the Court may direct.

(f) "UNDERTAKING" shall mean


- a) All the assets and property, movables and immovable, corporeal or incorporeal, present, future or contingent of whatsoever nature of the Transferor Company as on the Appointed Date.
- b) All the debts, liabilities, duties and obligations of whatsoever nature of the Transferor Company as on the Appointed Date and as appearing in the books of account of the Transferor Company (hereinafter referred to as "the said Liabilities").
- c) Without prejudice to the generality of sub-clause (a) above, the undertaking shall include all the Transferor Company's properties, reserves, assets including leasehold rights, tenancy rights, investments of all kinds, allotments, approvals, consents, licenses industrial and other licenses, registrations, contracts, engagements, arrangement of all kind, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated, permits, authorizations, quota rights, patents, trade marks, whether those applied for or to be applied for after the Appointed Date or registered designs, copyrights, various exemptions, incentives and other intellectual properties, domain names, import quotas, telephones, telex, facsimile and other communication facilities, utilities, electricity and other services and equipments, vehicles, rights and benefits of all Agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals 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, and all books of accounts, documents and records as on the Appointed Date (hereinafter referred to as "the said Assets").

(g) "THE SCHEME" means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the High Court of Judicature at Bombay.



3. TRANSFER & VESTING:

Upon the coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the undertaking of NEERAV PROPERTIES AND HOTELS PRIVATE LIMITED i.e. the Transferor Company shall be transferred to CHALET HOTELS LIMITED i.e., the Transferee Company in the following manner:-

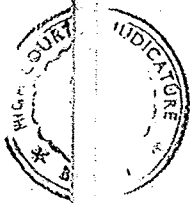
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- (a) With effect from the Appointed Date, the entire Undertaking including all the properties, moveable and immoveable, rights and claims whatsoever of the Transferor Company as more particularly described in clause 2 (f) hereinbefore) as may belong to or be in possession of or power of the Transferor Company and in the control of or vested in favour of or enjoyed by the Transferor Company and all books of accounts and documents and records relating thereto, shall without any further act or deed, be and stand transferred to and vest and/or be deemed to have been transferred to and vested in the Transferee Company under Section 394(2) and other applicable provisions of the said Act, so as to become from the Appointed Date the assets and properties, rights, title and interests of the Transferee Company, but subject to all charges affecting the same.
- (b) All the debts and liabilities of the said undertaking of the Transferor Company shall also stand transferred to the Transferee Company with effect from the Appointed Date without further act or deed pursuant to Section 394(2) and other applicable provisions of the Act so as to become as from the Appointed Date, the debts and the liabilities 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.
- (c) All the moveable assets of the Transferor Company and the assets which are otherwise capable of transfer by manual delivery or endorsement and delivery, including cash on hand shall be so transferred to the Transferee Company to the end and intent that the property therein passes to the

Transferee Company. The amounts lying with the Banks to the credit of the Transferor Company shall also be transferred to the Transferee Company. Such delivery and transfer shall be made on a date as may be decided by the Board of Directors of the Transferee Company within thirty days from the Effective Date.

(d) In respect of sundry debtors, outstanding loans and advances recoverables in cash or in kind or for value to be received, bank balances and deposits with Government, Semi Government, Local and other authorities and bodies the following modus operandi shall be followed :

(i) The Transferee Company shall give notice in such form as it may deem fit and proper to each party, debtor or depositor of the Transferor Company as the case may be, that pursuant to High Court of Judicature at Bombay having sanctioned the amalgamation between the Transferor Company and the Transferee Company and its members, under Sections 391 and 394 of the said Act, the said debt, loan, advances etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realize the same do stand extinguished and that appropriate entry should be passed in its respective books to record the aforesaid change;

(ii) The Transferor Company shall also give notice in such form as they may deem fit and proper to each person debtor and depositor; that pursuant to the High Court of Judicature at Bombay having sanctioned the amalgamation of the Transferor Company with the Transferee Company and its members under Sections 391 and 394 of the said Act, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same on account of the Transferee Company and that the right of the Transferor Company to recover or realize the same stands extinguished;



(e) With effect from the Appointed Date, all statutory benefits inclusive of Stamp Duty paid, Sales Tax Benefits, Payment and Credits, Excise Duty and Modvat Benefits, Income Tax Payments with Brought Forward Tax Benefits and Credits for Advance Taxes paid and all other benefits of imports and exports and the benefits availed and available under the Income Tax Act or any other Legislation and instruments of every description of the Transferor Company shall stand transferred to and be available to the Transferee Company.

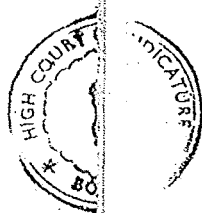
(f) On the Scheme of Amalgamation becoming effective the Transferee shall record the Assets and Liabilities recorded in the Books of Accounts of the Transferor, being Assets and Liabilities of the Undertaking and transferred to and vested in the Transferee, pursuant to the Scheme, at their book values as on the Appointed Date after making adjustments required to align any conflicting accounting policies.

(g) On the Scheme of Amalgamation becoming effective the reserves of the Transferor Company, if any, will be credited to the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company;

(h) The difference between the amounts recorded as share capital issued to shareholders of the Transferor Company and to the director or officer of the Transferee Company in lieu of consolidated fractional entitlement of the said shareholders and the amount of the share capital of the Transferor Company is to be adjusted in reserves in the financial statements of the Transferee Company.

4. LEGAL PROCEEDINGS:

All legal proceedings by or against the Transferor Company pending at the Appointed Date and relating to the Transferor Company or the property, assets, debts, liabilities, duties and obligations referred to in clause 3 above, shall be continued until the Effective Date as desired by the Transferor Company and at its cost and risk, and as and from the Effective Date shall be continued 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 and enforced by or against the Transferor Company.

5. CONTRACTS, DEEDS, BONDS, AGREEMENT, ARRANGEMENTS AND OTHER INSTRUMENTS:

- (a) Upon the coming into effect of this Scheme, and subject to the other 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 by or against the Transferee Company as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
- (b) The Transferee 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 of confirmation in favour of any party to any contract or arrangement to which the Transferor 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 Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

6. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE:

From the Appointed Date until the Effective Date (as defined in clause 15 hereof) the Transferor Company:

- (a) shall carry on and shall be deemed to have been carrying on the business and activities and shall hold and stand possessed of and shall be deemed to have held and possessed of the Undertaking referred to in clause 2(f)



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above, in trust for the Transferee Company and shall account for the same to the Transferee Company;

(b) shall not, without the written concurrence of the Transferee Company, alienate, charge or encumber any of its property except in the ordinary course of business;

(c) to carry on its business and activities with reasonable diligence and business prudence and shall not without the written consent of the Transferee Company undertake any additional financial commitments of any nature whatsoever, borrow any amount, or incur any other liability or expenditure, issue any guarantee, indemnities or commitments or alienate, charge, encumber or otherwise deal with the Undertaking or any part thereof except in the ordinary course of business;

(d) not vary the terms and conditions of the employment of its employees;

(e) not undertake any new business without the written consent of the Transferee Company.

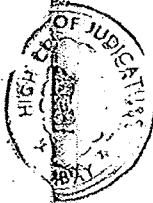
7. OBLIGATIONS OF TRANSFEROR COMPANY:

(a) As from the Appointed Date and till the Effective Date, the Transferor Company shall not do anything other than what it has been doing hitherto before save and except with the concurrence of the Transferee Company. During the said period the Transferor Company shall not vary or alter except in the ordinary course of its business, the terms and conditions of employment of any of its employees.

(b) Any income or profit accruing to the Transferor Company and all costs, charges and expenses incurred or losses arising or incurred by the Transferor Company on and after the Appointed Date up to the Effective Date shall for all purposes be treated as the income, profits, costs, charges and expenses and loss, as the case may be, of the Transferee Company.

8. TRANSACTIONS ALREADY CONCLUDED:

The Transfer of properties and liabilities under Clause 3 and continuance of proceedings by or against the Transferee Company under clause 4 above shall not affect any transactions or proceedings already concluded by the Transferor Company after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself. Further, as from the Appointed Date, the Transferor Company shall be deemed to have carried on and to be carrying on their business on behalf of the Transferee Company until such time as this Scheme becomes effective.



9. EMPLOYEES:

(a) On the Scheme becoming effective, all employees of the Transferor Company in service on the Effective Date, shall be deemed to have become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in their services and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with the Transferor Company on the Effective Date. The position, rank and designation of the employees shall be as decided by the Board of Directors of the Transferee Company in its absolute discretion. It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund created or existing for the benefit of the staff, workmen and 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 or operation of such Schemes or Funds or in relation to the obligations to make contributions to the said Funds in accordance with provisions of such Schemes or Funds according to the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Schemes or 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 Schemes or Funds.

(b) In so far as the Provident Fund, Gratuity Fund, Superannuation Fund or other Special Scheme(s)/ Fund(s) created or existing for the benefit of the Employees of the Transferor Company are concerned, upon the coming into effect of this Scheme, the balances lying in the accounts of the Employees of the Transferor Company in the said funds as on the Effective Date shall stand transferred from the respective trusts/ funds of the Transferor Company to the corresponding trusts/ funds set up by the Transferee Company.

10. SHARE CAPITAL:

(a) The share capital of NEERAV PROPERTIES AND HOTELS PRIVATE LIMITED, i.e. the Transferor Company as on 31st March 2005 is as under:

AUTHORISED	(IN RUPEES)
50,000 Equity shares of Rs.10/- each	5,00,000/-
ISSUED, SUBSCRIBED AND PAID UP	
10,000 equity shares of Rs.10/- each full paid up	1,00,000/-

As of 31st March, 2006, the Authorized, Subscribed and Paid Up Share Capital of the Transferor Company has been enhanced as under:

AUTHORISED	(IN RUPEES)
5,00,00,000 Equity shares of Rs.10/- each	50,00,00,000/-
ISSUED, SUBSCRIBED AND PAID UP	
5,00,00,000 equity shares of Rs.10/- each full paid up	50,00,00,000/-

(b) The share capital of CHALET HOTELS LIMITED, i.e. the Transferee Company as on 31st March, 2005 is as under:



AUTHORISED	(IN RUPEES)
11,00,00,000 Equity shares of Rs.10/- each	1,100,000,000/-
ISSUED AND SUBSCRIBED	
9,11,42,253 Equity shares of Rs. 10/- each Fully paid up	Rs. 91,14,22,530/-
PAID UP	
FULLY PAID UP: 8,11,42,253 equity shares of Rs. 10/- each, fully paid up	Rs. 81,14,22,530/-
PARTLY PAID UP: 1,00,00,000 equity shares partly paid (Rs. 2 per share)	Rs. 2,00,00,000/-

As of 31st March, 2006, the share capital of the Transferee Company is enhanced as under:

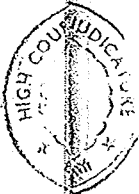
AUTHORISED	(IN RUPEES)
11,00,00,000 equity shares of Rs. 10/- each	Rs. 1,10,00,00,000
ISSUED AND SUBSCRIBED	
9,81,42,253 equity shares of Rs. 10/- each	Rs. 98,14,22,530/-
PAID UP	
9,81,42,253 shares of Rs. 10/- each	Rs. 98,14,22,530

11. ISSUE OF SHARES BY TRANSFeree COMPANY:

- (a) Upon the Scheme becoming effective, in consideration of and vesting in of the assets and liabilities of the Transferor Company as specified in Clause 3 above, in the Transferee Company as per the provisions of the Scheme, the Transferee Company shall, without any further act, obligation or deed, issue and allot at Mumbai, 1.08 equity shares of Rs.10/- each of the Transferee Company, to be issued at par, credited as fully paid up to the shareholders of the Transferor Company holding equity shares of the Transferor Company whose

names are recorded in the register of members of the Transferor Company as on the Effective Date or as on such other date as may be fixed by the Board of Directors of the Transferee Company, for every 1 (one) equity share of Rs.10/- each of the Transferor Company held by him/her.

- (b) Upon scheme becoming effective, the Transferee Company will increase its authorised capital to issue shares to the shareholders of the Transferor company in accordance with the exchange ratio determined hereinabove.
- (c) The Equity Shares to be issued in terms hereof shall be subject to the Memorandum and Articles of Association of the Transferee Company.
- (d) It is hereby expressly agreed by and between the parties hereto that certificates representing the equity shares and the respective entitlements of the members of the Transferor Company shall be sent by the Transferee Company under registered post or delivered in person only on surrender and in exchange for the certificates of shares held by them in the Transferor Company and where certificates representing the shares held in the Transferor Company cannot be so surrendered for good reasons such procedure for delivery of certificates shall be followed as may be laid down by the Board of Directors of the Transferee Company. Notice for surrender of the shares held in the Transferor Company shall be given by the Transferee Company without delay after the Effective Date.
- (e) The Equity shares of Rs.10/- (Rupees Ten only) each in the capital of the Transferee Company to be allotted pursuant to this Scheme hereto shall rank for dividend, voting rights and for all other benefits and in all respect pari passu with the existing shares of the Transferee Company with effect from the date of their allotment. Any such dividend payable on the said equity shares in the Capital of the Transferee Company shall be paid pro rata with effect from the Appointed Date for the financial year April 2006 to March 2007 and PROVIDED FURTHER that the shareholders of the Transferor Company shall not be entitled to receive from the Transferee Company and the Transferee Company shall not be bound and liable to



issue and allot to them any rights or bonus equity share, which the Transferee Company may issue to its shareholders prior to the date on which the shares of the Transferee Company would be allotted to the shareholders of the Transferor Company under this Scheme.

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 Transferor Company and/or the Transferee 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 Transferor Company and the Transferee Company and subject to the approval of the shareholders of the Transferor Company and the Transferee Company respectively.

(f) No fractional Certificates shall be issued by the Transferee Company in respect of fractional entitlements, if any, to which the equity shareholders of the Transferor Company may be entitled to upon issue and allotment of the equity shares of the Transferee Company as aforesaid. The Transferee Company shall instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to a Director or Officer of the Transferee Company on the express undertaking that such Director or Officer shall sell the same at the prevailing price and shall distribute the net sale proceeds to the members of the Transferor Company in proportion to their fractional entitlement.

(g) The members of the Transferor Company who are entitled to the new equity shares and/or who are paid their respective shares in the net sale proceeds arising as above, shall accept the same in full satisfaction of their respective rights and interest under and pursuant to the Scheme as aforesaid.

Based on the share exchange ratio indicated in this Scheme if the total of all the fractional entitlements to all the shareholders of the Transferor Company amounts to less than one equity share of the Transferee Company such fractional entitlements the aggregate of which may be less than one equity share shall be ignored and the shareholders of the



Transferor Company shall not claim any right, title or interest in such fractional entitlements.

- (h) For the purpose as aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the consent of the Securities Exchange Board of India, the Stock Exchange, Bombay 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, of the Equity shares in the said share capital of the Transferee Company in the ratio aforesaid.

12. DISSOLUTION ON TRANSFER:-

On the scheme becoming effective, the Transferor Company shall be dissolved without winding up.

13. APPLICATION TO THE HON'BLE HIGH COURT:-

- (a) The Transferor Company and the Transferee Company shall with reasonable dispatch make an application to the High Court of Judicature at Bombay under Section 391 of the Companies Act, 1956 seeking an order for dispensation with convening and holding of meetings of the Equity Shareholders of the Transferor Company and the Transferee Company and if thought fit, to approve with or without modification this Scheme.

- (b) This Scheme being agreed to by the requisite majorities of the members of the Transferor Company and the Transferee Company, the Transferor Company and the Transferee Company shall, with reasonable dispatch apply to the High Court of Judicature at Bombay for sanctioning the Scheme of Amalgamation under Sections 391 and 394 and other applicable provisions of the Companies Act, 1956 and for such other order or orders, as the Court may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding-up.

14. APPROVALS & SANCTIONS OF THE HON'BLE COURT:-

This Scheme is conditional upon and subject to:

(a) Any requisite consent, approval or permission of the Central Government or any other authority and financial institutions which by law or contract may be necessary for the implementation of this Scheme;

(b) Approval by the requisite majorities of the members of both the Companies required under Section 391 of the Companies Act, 1956; and

(c) All court sanctions and orders as are legally necessary or required under the said Act, being obtaining or passed before the 31st December, 2006, or within such further period or period as may be agreed between the Directors of the Transferor Company and the Transferee Company and in the event of any such consent, approval, permission, resolution, agreement, necessary sanctions or order not being so obtained or passed this Scheme shall become null and void.

15. EFFECTIVE DATE:

This Scheme although to come into operation from the Appointed Date shall be operative from the date on which certified copies of the Orders of the High Court of Judicature at Bombay under Sections 391, 392 and 394 of the said Act are duly filed with the appropriate Registrar of Companies, Maharashtra or such other dates as the Court may direct. Reference in this Scheme to the date of "coming into Effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date.

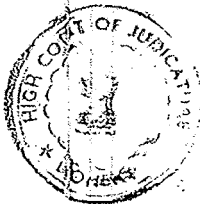
16. MODIFICATION/ AMENDMENT TO THE SCHEME:

(a) The Transferor Company and the Transferee Company, through its Directors, may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme of Amalgamation or to any conditions which the Court and/or any other Authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in carrying out this Scheme of Amalgamation and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme of Amalgamation into effect.

(b) For the purpose of giving effect to this Scheme of Amalgamation or to any modification, amendment or condition thereof, the Directors of the Transferee Company are authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

17. COSTS:

All costs, charges and expenses of the Transferor Company and the Transferee Company in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and conditions of this scheme and of or incidental to the completion of Amalgamation and merger of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.



18.

SCHEME NOT BEING SANCTIONED:

In case this Scheme is not sanctioned by the High Court of Judicature at Bombay or failing to take effect for any reason whatsoever before 31st December, 2006 or within such further period or periods as may be agreed upon between the Transferor Company (by its Directors) and Transferee Company (by its Directors), or for any other reason if this Scheme cannot be implemented this Scheme will become null and void and of no effect than and in that event, no rights, and/or liabilities shall accrue to or be incurred by the Transferor Company and the Transferee Company and the parties shall bear and pay their respective costs and expenses in connection with or relating to this Scheme.

TRUE-COPY

M. D. Narvekar
M. D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

TRUE COPY

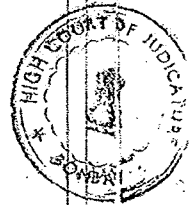
Wadia Ghandy & Co.
Wadia Ghandy & Co.
Advocates, Solicitors & Notaries
N. M. Wadia Building,
123, Mahatma Gandhi Road
Fort, Bombay-400 022

SCHEME OF AMALGAMATION
Under Sections 391 and 394 of the
Companies Act, 1956
OF

NEERAV PROPERTIES AND HOTELS
PRIVATE LIMITED

WITH

CHALET HOTELS LIMITED



DATED THIS DAY OF

2006

Wadia Ghandy & Co.
Advocates & Solicitors
N. M. Wadia Buildings
123, M. G. Road, Fort,
Mumbai 400 001.

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

CSP No. 322 OF 2017

&

CSP No. 323 OF 2017

Under Sections 230 to 232 of the
Companies Act, 2013 (including any
statutory re-enactments, amendments or
modifications thereof)

In the matter of Scheme of Arrangement
between Genext Hardware & Parks Pvt.
Ltd. ("Transferor") and Chalet Hotels
Private Limited ("Transferee") and
their respective shareholders and
creditors

CHALET HOTELS PRIVATE LIMITED

... Petitioner/ Transferee

AND

GENEXT HARDWARE & PARKS PVT. LTD.

... Petitioner/ Transferor

Order delivered on August 2, 2017

Coram:

Hon'ble Mr. B. S. V. Prakash Kumar, Member (J)

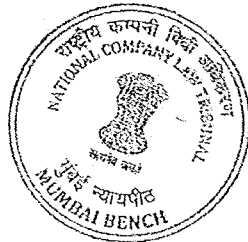
Hon'ble Mr. V. Nallasenapathy, Member (T).

For the Petitioner: (1) Mr. Sameer Pandit, Adv.
(2) Ms. Madhupreetha Elango, Adv.
i/b. Wadia Ghady & Co.

For the Regional Director: Mr. Ramesh Gholap, Assistant Director
Per: B. S. V. Prakash Kumar, Member (J)

ORDER

1. Heard learned Advocates appearing for the Petitioners. No objector
has come before this Hon'ble Tribunal to oppose the Scheme, nor



has any party controverted any averments made in the captioned Petitions.

2. The sanction of the Court is sought under Sections 230 to 232 of the Companies Act, 2013, to the Scheme of Arrangement ("Scheme") for the demerger of Demerged Undertaking (defined in the Scheme) from Genext Hardware and Parks Private Limited ("Transferor") to Chalor Hotels Private Limited ("Transferee").
3. Learned Advocate for the Petitioners, submits that the Transferor owns and operates a single mixed-use development comprising of a Hotel Undertaking and Retail Undertaking at Bengaluru. The Transferee specializes in the hotel business and has operating hotels in a few Indian cities.
4. The Scheme will result in economies of scale, reduction in overheads including administrative, managerial and other expenses, organizational efficiency and optimum utilization of resources on transfer of the Demerged Undertaking of the Transferor to the Transferee. The Scheme will also enable the business of the Transferor comprised in and the Remaining Business to be pursued and carried on more conveniently and advantageously with greater focus and attention.
5. The Learned Advocate for the Petitioners states that the Board of Directors of the Petitioners have approved the Scheme of Arrangement in their Board Meeting and extract of the resolutions passed in this regard are annexed to the respective Company Scheme Petitions.
6. The Learned Advocate for the Petitioners states that Petitioners have complied with all the requirements as per the directions of this Hon'ble Tribunal and have filed necessary affidavit(s) of compliance in this Hon'ble Tribunal. Moreover, the Petitioners through their Advocate undertake to comply with all statutory requirements, if any, as required under Companies Act, 2013 and



the Rules made thereunder, as applicable. The said undertaking is accepted.

7. The Regional Director vide its Report dated May 25, 2017 has stated therein that save and except as stated in paragraphs IV (1) to (7) of the said Report, it appears, according to the Regional Director, that the Scheme is not prejudicial to the interests of the shareholders and the public. The aforesaid paragraphs IV (1) to (7) read as under:

"IV. The observations of the Regional Director on the proposed Scheme to be considered are as under:-

- 1. The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Tribunal may not deter the Income Tax Authority to scrutinize the tax return filed by the transferee Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Company.*
- 2. Certificate by the Company's Auditor stating that the accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 is not available.*
In this regard it is requested that Petitioner may be asked to submit the certificate to comply with the provisions of Section 232(3) proviso of the Companies Act, 2013.
- 3. It is submitted that the Petitioner Companies have submitted the copy of serving notice, upon the Income Tax Authorities dated 20.02.2017 for comments. This Directorate has also issued a reminder letter to the Income Tax Department dated 23.05.2017.*
- 4. Petitioner has not mentioned Accounting Standard that would be adopted for the accounting treatment proposed for demerger and the amalgamation.*
In this regard Petitioner companies undertake to comply with all applicable Accounting standards prescribed under the



Companies Act, 2013.

5. Petitioner company have submitted Minutes of Order dated 09.02.2017 mentioned that meeting of secured creditors, unsecured creditors and equity shareholders & Preference shareholders has convened but no chairman report has submitted.

In this regard Petitioner companies undertake to submit Chairman Report and result out of the convened Meeting of secured creditors, unsecured creditors and equity shareholders & Preference shareholders.

6. Petitioner in clause 10 of the Scheme has inter alia mentioned that the transferor shall not except with the prior consent of in writing of the Board change the salary structure or any perks if any made available to employees of the transferor companies.

In this regard Petitioner Company has to undertake to protect the interest of the employees.

7. Petitioner companies in clause 3.2 has mentioned that Appointed Date would be 1.11.2016 whereas Balance sheet has submitted as on 31.3.2016 before the Regional Director.

In this regard petitioner companies undertake to submit audited Balance Sheet for period 1.4.2016 to 31.10.2016.

8. As regards the observations at paragraph IV(1) of the Regional Director's Report, the Petitioners through their Advocate undertake to comply with the applicable provisions of the Income Tax Act, 1961 and all issues concerning taxation arising as a consequence of the Scheme shall be dealt with and addressed in accordance with the applicable provisions of the income tax law.

9. As regards the observations at paragraph IV(2) of the Regional Director's Report, the Petitioners through their Advocate submit that a copy of the Certificate by the Transferor's Auditors dated January 17, 2017 and a copy of the Certificate by the Transferee's Auditors dated January 20, 2017 stating that the accounting treatment if any proposed in the Scheme is in conformity with the



accounting standards prescribed under Section 133 of the Companies Act, 2013 has been duly submitted by the Transferee vide its letter dated March 6, 2017. In any event a copy of the said certificates have been placed on record vide the Affidavits of Mr. Ramesh Valecha dated July 26, 2017 in response to the Regional Director's report.

10. As regards the observations at paragraph IV(3) of the Regional Director's Report, the Petitioners through their Advocate submit that no objection has been received from the Income Tax Authorities and the observation has been duly noted.
11. As regards the observations at paragraph IV(4) of the Regional Director's Report, the Petitioners through their Advocate undertake to comply with all Accounting Standards prescribed under the Companies Act, 2013 as applicable to the Scheme.
12. As regards the observations at paragraph IV(5) of the Regional Director's Report, the Petitioners through their Advocate submit that in compliance with the order dated February 9, 2017, the Petitioners have filed with the Hon'ble National Company Law Tribunal on March 30, 2017, the Chairperson's reports dated March 30, 2017 setting out the results of the meetings. In any event copies of the said Chairpersons' reports have once again been placed on record vide the Affidavits of Mr. Ramesh Valecha dated July 26, 2017 in response to the Regional Director's report.
13. As regards the observations in paragraph IV (6) of the Regional Director's Report, the Petitioners through their Advocate undertake that Transferee shall protect the interest of employees of the Demerged Undertaking of the Transferor, who would become the employees of the Transferee in accordance with the applicable laws.
14. As regards the observations at paragraph IV(7) of the Regional Director's Report, the Petitioners through their Advocate, submit that the Transferor has already submitted unaudited financial



statements for the period 01.04.2016 to 31.12.2016 as *Exhibit "D"* to the Company Petition No.323 of 2017 and the Transferee has already submitted unaudited financial statements for the period 01.04.2016 to 31.10.2016 as *Exhibit "E"* to the Company Petition No.322 of 2017. A copy of the said unaudited financial statements have once again been placed on record vide the Affidavits of Mr. Valecha dated July 26, 2017 in response to the Regional Director's Report.

15. The Learned Representative for the Regional Director, on the instructions from the office of Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertakings given by the Advocate for the Petitioners. The said undertakings given by the Petitioners are accepted.
16. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
17. Since all the requisite statutory compliances have been fulfilled, the captioned Company Scheme Petitions are made absolute in terms of prayer clauses (a) and (b).
18. The Petitioners are directed to lodge a copy of this Order and the Scheme duly certified by the Deputy Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same, within 60 (sixty) days from the date of receipt of the Order.
19. The Petitioners are further directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-Form INC 28 in addition to physical copies as per the relevant provisions of the Companies Act, 2013.



20. The Petitioners to pay costs of Rs.25,000/- each, to the Regional Director, Western Region, Mumbai, within four weeks from the date of receipt of this Order.

21. All concerned regulatory authorities to act on a copy of this order along with the Scheme, duly authenticated by the Deputy Registrar, National Company Law Tribunal, Mumbai Bench.


Sd/-

V. Nallasenapathy, Member (T)

Sd/-

B. S. V. Prakash Kumar, Member (J)

Certified True Copy
Date of Application 9.8.2017
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Copy issued on 11.9.2017


Deputy Director

National Company Law Tribunal, Mumbai Bench



IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

CSP No. 322 OF 2017

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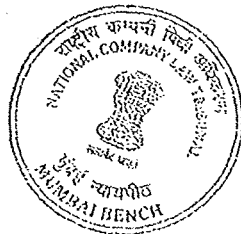
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16. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
17. Since all the requisite statutory compliances have been fulfilled, the captioned Company Scheme Petitions are made absolute in terms of prayer clauses (a) and (b).
18. The Petitioners are directed to lodge a copy of this Order and the Scheme duly certified by the Deputy Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same, within 60 (sixty) days from the date of receipt of the Order.
19. The Petitioners are further directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-Form INC 28 in addition to physical copies as per the relevant provisions of the Companies Act, 2013.



20. The Petitioners to pay costs of Rs.25,000/- each, to the Regional Director, Western Region, Mumbai, within four weeks from the date of receipt of this Order.

21. All concerned regulatory authorities to act on a copy of this order along with the Scheme, duly authenticated by the Deputy Registrar, National Company Law Tribunal, Mumbai Bench.

sd/-

V. Nallaseenapathy, Member (I)

sd/-

B. S. V. Prakash Kumar, Member (J)

Certified True Copy

Date of Application

9.8.2017

Number of Pages

7

Fee Paid Rs.

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Applicant called for collection copy on

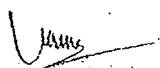
11.9.2017

Copy prepared on

11.9.2017

Copy issued on

11.9.2017


Deputy Director

National Company Law Tribunal, Mumbai Bench



SCHEME OF ARRANGEMENT
UNDER SECTIONS 230 TO 232 OF
THE COMPANIES ACT, 2013
BETWEEN

GENEXT HARDWARE & PARKS

PRIVATE LIMITED

...TRANSFEROR

AND

CHALET HOTELS PRIVATE LIMITED

... TRANSFEREE

AND

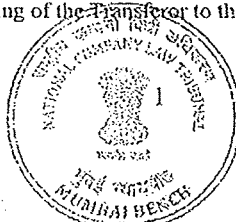
THEIR RESPECTIVE CREDITORS AND SHAREHOLDERS

I. PURPOSE OF THE SCHEME OF ARRANGEMENT ("SCHEME")

This Scheme of Arrangement is presented under Sections 230 to 232 of the Companies Act, 2013 (including any statutory modifications or amendments thereof) for the demerger of Demerged Undertaking (defined hereinafter) from Genext Hardware and Parks Private Limited ("Transferor") to Chalet Hotels Private Limited ("Transferee").

2. RATIONALE OF THE SCHEME

- 2.1. Both the Transferor and the Transferee carry on the business of operating hotels, retail as well as real estate development.
- 2.2. The Transferor owns and operates a single mixed-use development comprising of a hotel and retail business at Bengaluru. The Transferee specializes in the hotel business and has operating hotels in a few Indian cities. It is proposed to provide for optimum running, growth and development of the hotel and retail business of the Transferor utilizing the knowledge and expertise of the Transferee in such specialized business. In line with this objective, the Transferor purports to transfer the Demerged Undertaking (defined hereinafter) to the Transferee under the Scheme.
- 2.3. The Scheme will result in economies of scale, reduction in overheads including administrative, managerial and other expenses, organizational efficiency and optimum utilization of resources on transfer of the Demerged Undertaking of the Transferor to the Transferee.



2.4. The Scheme will also enable the business of the Transferor comprised in and the Remaining Business to be pursued and carried on more conveniently and advantageously with greater focus and attention.

2.5. The objects of the Transferor and the Transferee permit such arrangement. As per clause 37 of the Memorandum of Association of the Transferor, the Transferor is permitted to sell, issue, mortgage, surrender, abandon and in any other manner deal with or dispose of the undertaking or property of the Transferor, or any part thereof for such consideration as the Transferor may think fit and in particular for shares, debentures and other securities of any other company having objects altogether or in part similar to those of the Transferor. As per clause 20 of the Memorandum of Association of the Transferee, the Transferee is permitted to acquire and take over any business or undertaking carried on, upon or in connection with any land or building which the Transferee may desire to acquire.

3. PARTS OF THE SCHEME

The Scheme is divided into the following parts:-

- 3.1. Part I deals with the Definitions and Share Capital
- 3.2. Part II deals with the demerger of the Demerged Undertaking of the Transferor on a going concern basis to the Transferee
- 3.3. Part III deals with the general terms and conditions applicable to the Scheme

PART I – DEFINITIONS AND SHARE CAPITAL

4. DEFINITIONS

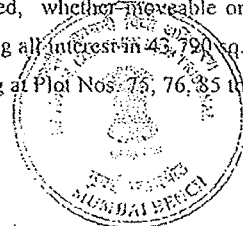
In this Scheme, unless repugnant to or inconsistent with the meaning or context thereof, the following expressions shall have the meanings as ascribed to them:

- 4.1. "Act" means the Companies Act, 2013 including any statutory modifications, re-enactments or amendments thereof from time to time.

- 4.2. "Appointed Date" means November 1, 2016 or such other date as may be fixed or approved by the NCLT (as hereinafter defined).



- 4.3. "Book Value" means the value of the assets and specified liabilities of the Demerged Undertaking as appearing in books of accounts of the Transferor, at the close of business hours on the day immediately preceding the Appointed Date.
- 4.4. "Demerged Undertaking" means the whole of the Hotel Undertaking (defined hereinafter) and the Retail Undertaking (defined hereinafter) of the Transferor as on the Appointed Date.
- 4.5. "Effective Date" means the date or the last of the dates on which the conditions set out in Clause 18 below of the Scheme have been complied with, References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "becoming/ becomes operative" shall mean the Effective Date.
- 4.6. "Hotel Undertaking" means the entire business and activities of the Transferor pertaining to the hotel business, on a going concern basis, and shall mean and include (without limitation):
- (i) hotel premises, being the portion of the building premises of the Transferor pertaining to the hotel currently known as "Bengaluru Marriott Hotel, Whitefield" presently consisting, *inter alia* of 324 rooms, restaurants, bar, banquet facilities, swimming pool, health club, spa, other public areas and back of the house areas including kitchens and currently having a built up area of approximately 56799.72 square meters as per the sanctioned plans together with 29.74% undivided right, title and interest in the Larger Land and the 178 hotel car parking spaces. The hotel premises would also include the individual interest and benefit of the open land, common areas, facilities, installations and green areas of all the undertakings as well as the obligations of maintenance and upkeep in relation to all such open land, common areas, facilities, installations and green areas on the Larger Land ("Hotel Premises");
 - (ii) All assets and properties, wherever situated, whether moveable or immovable, freehold or leasehold, including all interest in 43,790 sq. feet on 4 (four) floors of the office building at Plot Nos. 75, 76, 85 to



87 C.A. Plot and Plot No. 88 (part) comprising 67 hotel rooms, real or personal, corporeal or incorporeal, tangible or intangible, in possession, or in reversion, present or contingent, all plant and machinery, electrical installations, computer installations, power lines, water pipelines, sewer and drainage pipelines, vehicles, equipment, capital work-in-progress, furniture, fixtures, appliances, accessories, stock-in-trade, all investments, sundry debtors, inventories, other current assets, cash and bank balances, bills of exchange, goodwill, trademarks, trade names, patents, copyrights, all other intellectual property relating to the hotel business;

(iii) All contracts, agreements, arrangements and engagements in relation to the hotel business (including operation and management contracts, royalty agreements and other agreements, respectively, entered into with Marriott Hotels India Private Limited and its affiliated entities);

(iv) Liabilities of the Hotel Undertaking including:-

- all debts, liabilities, and obligations at the close of business hours on the day immediately preceding the Appointed Date, which arise out of the activities or operations of the hotel business;
- all specific loans and borrowings at the close of business hours on the day immediately preceding the Appointed Date, raised, incurred and utilized solely for the activities or operations of the hotel business;
- so much of the amounts of general or multipurpose borrowings (if any) of the Transferor other than those referred to in sub-clauses above, as stands in the same proportion which the value of the assets of the hotel business transferred bears to the total value of the assets of the Transferor immediately before the demerger ("Liabilities of the Hotel Undertaking");

(v) All statutory approvals specific to the hotel business, registrations (including service tax and VAT/GST registrations), licenses, certifications, permissions, consents, exemptions, allotments, permits, quotas, no objection certificates, entitlements including those relating to duty free imports, municipal permissions,



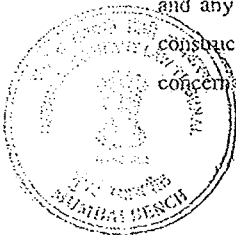
approvals, subsidies, incentives, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, goods and services tax, turnover tax, service tax, etc.), privileges, liberties, advantages, insurance claims and policies, powers of attorney, interests, all other rights (including, but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, environmental clearances) and all other benefits appertaining to the hotel business and/ or to which Transferor is entitled to in respect of the hotel business of whatsoever kind, nature or description together with the benefit of all contracts agreements, arrangements, engagements, and along with the benefit of all the approvals, registrations and any of the above stated, which are common to all the undertakings to the extent such approvals, registrations and any of the above stated relate to the hotel business together with the obligations attached thereto relating to the hotel business;

- (vi) All deposits or benefit of any deposits, all advances and/or earnest monies and/or security deposits for commercial contracts paid or received by the Transferor directly or indirectly in connection with or relating to the hotel business and including without limitation any commitments, undertakings, agreements, whether funded or not;
- (vii) All books, records, files, plans, drawings, designs, papers, computer software along with their licenses, manuals and backup copies, drawings, data catalogues, and other data and records, whether in physical or in electronic form, directly or indirectly in connection with or relating to the hotel business;
- (viii) All employees of the Transferor engaged in the hotel business along with all the benefits that they would be entitled to;
- (ix) All accumulated losses and unabsorbed depreciation as per the books of account and accumulated losses and unabsorbed depreciation as per Income Tax Act 1961, pertaining to the hotel business; and

- (x) All present and future benefits not specifically mentioned herein but arising out of and from the assets of the hotel business hereinabove.

Any question that may arise as to whether a specified asset, benefit or liability, contract or obligation or a particular portion of any premises pertains or losses or depreciation does not pertain to the Hotel Undertaking or whether it arises out of the activities or operations of the Hotel Undertaking shall be decided by the Board of Directors of the Transferor and Transferee by mutual agreement.

- 4.7. "Larger Land" means all that piece and parcel of land admeasuring approximately 39,512 square meters bearing Plot Nos. 75, 76, 85 to 87 C.A. Plot and Plot No. 88 (part) and Survey Nos. 97, 98, 149, 150, and 151 and in the Export Promotion Industrial Park within the limits of Hoodi Village, K. R. Puram Hobli, Bangalore East Taluk, Bangalore District, Karnataka.
- 4.8. "NCLT" means National Company Law Tribunal, Mumbai Bench.
- 4.9. "Record Date" means the date to be fixed by the Board of Directors or a Committee thereof constituted by the Board of Directors of the Transferor, in consultation with the Transferee, for the purposes of reckoning names of the equity shareholders of the Transferor, who shall be entitled to receive shares of the Transferee upon coming into effect of this Scheme.
- 4.10. "Remaining Business or Remaining Undertaking" means the operations and business of the Transferor, save and except the Demerged Undertaking.
- 4.11. "Retail Undertaking" means the entire business and activities of the Transferor pertaining to the current and future retail undertakings proposed by the Transferor, including without limitation the mall currently operating and known as "Inorbit Mall, Bangalore" along with the proposed building and any other retail related construction and business as may be created, constructed and operated from time to time on the Larger Land, on a going concern basis, and shall mean and include (without limitation):



- (i) retail premises, being the portion of the building premises of the Transferor currently pertaining to the mall known as "Inorbit Mall, Bangalore" and shall include multiplex, multi-level car park and any other structure(s) forming part of the entertainment block, whether currently constructed or under construction or proposed to be constructed, having an aggregate built up area of approximately 64,128.58 square meters, which built up area includes (a) 28949.62 square meters pertaining to Inorbit Mall, Bangalore and includes an unbuilt area of 1787.13 square meters (b) 35,178.96 square meters, which has been sanctioned for the purposes of multiplex (forming a part of the entertainment block), multi-level car park and other structure(s) plus the built up area that may arise from the FAR as may be sanctioned from time to time using the Unconsumed FAR (as defined hereunder) aggregating to a total of 26352.79 square meters together with 58.59% undivided right, title and interest in the Larger Land. The retail premises would also include the benefit of the open land, common areas, facilities, installations and green areas to all the undertakings as well as the obligations to maintain and upkeep in relation to all such open land, common areas, facilities, installations and green areas on the Larger Land and 118 car parking space allocated to the retail undertaking ("Retail Premises");
- (ii) The entire unconsumed FAR in respect of the Larger Land, including both sanctioned FAR as well as FAR that may be sanctioned in the future based on the present applicable regulations, it being intended by the Transferor, that the same would be consumed for the purpose of the Retail Undertaking ("Unconsumed FAR");
- (iii) All assets, wherever situated, whether moveable or immovable, freehold or leasehold, real or personal, corporeal or incorporeal, tangible or intangible, in possession, or in reversion, present or contingent, all plant and machinery, electrical installations, computer installations, power lines, water pipelines, sewer and drainage pipelines, vehicles, equipment, capital work-in-progress, furniture, fixtures, appliances, accessories, stock-in-trade, all investments,

sundry debtors, inventories, other current assets, cash and bank balances, bills of exchange, goodwill, trademarks, trade names, patents, copyrights, all other intellectual property relating to the Retail Undertaking;

(iv) All contracts, agreements, arrangements and engagements in relation to the Retail Undertaking (including all lease, leave and license and other contracts);

(v) Liabilities of the Retail Undertaking including:-

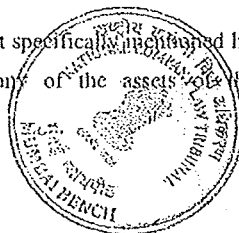
- all debts, liabilities, and obligations at the close of business hours on the day immediately preceding the Appointed Date, which arise out of the activities or operations of the Retail Undertaking;
- all specific loans and borrowings at the close of business hours on the day immediately preceding the Appointed Date, raised, incurred and utilised solely for the activities or operations of the Retail Undertaking;
- so much of the amounts of general or multipurpose borrowings (if any) of the Transferor other than those referred to in sub-clauses above, as stands in the same proportion which the value of the assets of the Retail Undertaking transferred bears to the total value of the assets of the Transferor immediately before the demerger ("Liabilities of the Retail Undertaking").

(vi) All statutory approvals specific to the Retail Undertaking, registrations (including service tax and VAT registrations, licenses, certifications, permissions, consents, exemptions, allotments, permits, quotas, no objection certificates, entitlements, municipal permissions, approvals, subsidies, incentives, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, goods and services tax, turnover tax, service tax, etc.), privileges, liberties, advantages, insurance claims and policies, powers of attorney, interests, all other rights (including, but not limited to right to use and avail electricity connections, water



connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, environmental clearances) and all other benefits appertaining to the Retail Undertaking and/ or to which the Transferor is entitled to in respect of the Retail Undertaking of whatsoever kind, nature or description together with the benefit of all contracts agreements, arrangements, engagements, and along with the benefit of all the approvals, registrations and any of the above stated, which are common to all the undertakings to the extent such approvals, registrations and any of the above stated relate to the Retail Undertaking together with the obligations attached thereto relating to the Retail Undertaking;

- (vii) All deposits or benefit of any deposits, all advances and/or earnest monies and/or security deposits for commercial contracts paid or received by the Transferor directly or indirectly in connection with or relating to the Retail Undertaking and including without limitation any commitments, undertakings, agreements, whether funded or not;
- (viii) All books, records, files, papers, plans, drawings, designs, computer software along with their licenses, manuals and backup copies, data catalogues, and other data and records, whether in physical or in electronic form, directly or indirectly in connection with or relating to the Retail Undertaking;
- (ix) All employees of the Transferor engaged in the Retail Undertaking along with all the benefits that they would be entitled to, including provident fund for such employees;
- (x) All accumulated losses and unabsorbed depreciation as per the books of account and accumulated losses and unabsorbed depreciation as per Income Tax Act 1961, pertaining to the Retail Undertaking; and
- (x) All present and future benefits not specifically mentioned herein but arising out of and from the any of the assets of the Retail Undertaking.



Any question that may arise as to whether a specified asset or liability, contract or obligation or a particular portion of any premises pertains or loss or depreciation does not pertain to the Retail Undertaking or whether it arises out of the activities or operations of the Retail Undertaking shall be decided by the Board of Directors of the Transferor and the Transferee by mutual agreement.

4.12. "Scheme of Arrangement" or "Scheme" or "this Scheme" or "the Scheme" means this Scheme of Arrangement under Sections 230 to 232 of the Act in the present form or with such modifications as sanctioned by the NCLT.

4.13. "Transferee" means Chalet Hotels Private Limited, a company incorporated under the Act and having its registered office at Raheja Tower, Plot No. C-30, Block G, Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.

4.14. "Transferor" means Genext Hardware & Parks Private Limited, a company incorporated under the provisions of the Companies, Act, 1956 and having its registered office at Plot No. C-30, Block 'G', Opp. SIDBI, Bandra Kurla Complex, Bandra (E), Mumbai 400051, which term shall include its successors and assigns from time to time.

5. SHARE CAPITAL

5.1. The authorised, issued, subscribed and paid-up share capital of the Transferor is as under:

(As on October 31, 2016)	
Particulars	Amount in Rs.
Authorised	
50,000 Equity Shares of Rs.10/- each	5,00,000/-
2400 Non-Cumulative Redeemable Preference Shares of Rs.1,00,000/- each	24,00,00,000/-
Total	24,05,00,000/-
Issued, subscribed and paid-up	



12,560 Equity Shares of Rs.10/- each fully paid-up	1,25,600/-
1,600 Non-cumulative redeemable preference shares of Rs.100,000 each, fully paid-up	16,00,00,000/-

- 5.2. The authorised, issued, subscribed and paid-up share capital of the Transferee is as under:

(As on October 31, 2016)	
Particulars	Amount in Rs.
Authorised	
15,25,00,000 Equity Shares of Rs.10/- each	1,52,50,00,000/-
Issued, subscribed and paid-up	
15,21,42,253 Equity Shares of Rs.10/- each	1,52,14,22,530/-

- 5.3. It is hereby clarified that between the Appointed Date and the Effective Date, both the Transferor and the Transferee shall be permitted to issue further shares and make consequent changes to their respective authorised, issued, paid up and subscribed capital. However, it is clarified that notwithstanding such fresh issuance of share, the shareholders of the Transferor will be issued shares as per the ratio and in the manner set out in Clause 12 below.

PART II – DEMERGER OF THE DEMERGED UNDERTAKING FROM THE TRANSFEROR TO THE TRANSFEE

6. TRANSFER

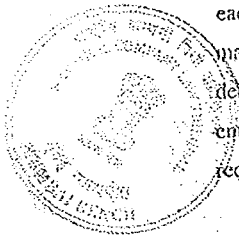
- 6.1. With effect from the Appointed Date, the Demerged Undertaking shall, pursuant to the provisions contained in Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act, without any further act, deed, matter or thing, be demerged from the Transferor and transferred to and vested in the Transferee, or be deemed to have been demerged from the Transferor and transferred to and vested in the Transferee, as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, title, interest and authorities of the Transferee.



6.2. All immovable property (including land, buildings and any other immovable property) of the Demerged Undertaking including the Hotel Premises and the Retail Premises, whether freehold or leasehold, and any documents, title, rights and easements in relation to such immovable properties, shall stand vested in the Transferee, without any act or deed done by the Transferor or the Transferee, and without any approval or acknowledgment of any third party. With effect from the Appointed date, the Transferee shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfill all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties will, if required, be made and duly recorded in the name of the Transferee by the appropriate authorities pursuant to the sanction of the Scheme and on the Scheme becoming effective in accordance with the terms hereof. The Transferor shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of the Demerged Undertaking's immovable property is given to the Transferee.

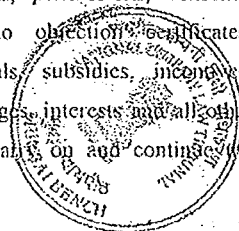
6.3. In respect of such assets of the Demerged Undertaking as are movable in nature or otherwise capable of transfer by manual delivery or by endorsement and delivery, wherever located, the same shall be so transferred by the Transferor, without requiring any deed or instrument of conveyance for the same and shall accordingly become the property of the Transferee, as an integral part of the Demerged Undertaking.

6.4. In respect of movables other than those specified in sub-clause 6.3 above, including sundry debtors, outstanding loans and advances recoverable in cash or in kind or for value to be received and deposits with Government, Semi-Government, Local and other authorities and bodies and customers, etc., pertaining only to the Demerged Undertaking, the Transferor and the Transferee shall give notice in such form as it may deem fit and proper, to each party, debtor or person to whom deposits have been given, as the case may be, that pursuant to the NCLT having sanctioned the Scheme, the said debt, loan, advance, etc., be held on account of the Transferee, as the person entitled thereto, to the end and intent that the right of the Transferor to recover or realise the same stands transferred to the Transferee and that



appropriate entry should be passed in their respective books to record the aforesaid changes.

- 6.5. All assets, estate, rights title, interest and authorities acquired by the Transferor after the Appointed Date and prior to the Effective Date for operation of the Demerged Undertaking shall also stand transferred to and vested in the Transferee upon the coming into effect of this Scheme.
- 6.6. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that all statutory approvals specific to the Demerged Undertaking, registrations (including service tax and VAT registrations), licenses, certifications, permissions, consents, exemptions, allotments, permits, quotas, no objection certificates, entitlements, (including without limitation, customs duty entitlements) municipal permissions, approvals, subsidies, incentives, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, goods and services tax, etc.), privileges, liberties, advantages, interests, all other rights (including, but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, environmental clearances) and all other benefits including all accrued/ unutilized benefits/ entitlements appertaining to the Demerged Undertaking and/ or to which the Transferor is entitled to in respect of the Demerged Undertaking, in terms of the various Statutes / Schemes / Policies, etc. of Union and State Governments, local authorities and bodies, shall be available to and vest in the Transferee, without any further act or deed and shall be mutated by the statutory authorities concerned therewith in favour of the Transferee. Since the Transferor will be transferred to and vested in the Transferee as a going concern without any break or interruption in the operations thereof, the Transferee shall be entitled to enjoy the benefit of all such statutory approvals, registrations, licenses, certifications, permissions, consents, exemptions, allotments, permits, quotas, no objection certificates, entitlements, municipal permissions, approvals, subsidies, incentives, grants, tax credits, privileges, liberties, advantages, interests and all other rights as enjoyed by the Transferor and to carry on and continue the



operations of the Demerged Undertaking on the basis of the same upon this Scheme becoming effective. Accordingly, all existing and future incentives, unavailed credits and exemptions, benefit of unabsorbed depreciation, carried forward losses and other statutory benefits, including in respect of Income Tax, Excise (including Modvat/Cenvat), Customs, VAT, Sales Tax, Service Tax etc. which the Transferor is entitled in relation to the Demerged Undertaking in terms of the various Statutes / Schemes / Policies, etc. of Union and State Governments shall be available to and vest in the Transferee upon this Scheme becoming effective.

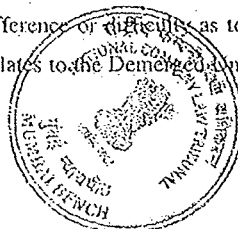
- 6.7. With effect from the Appointed Date all the specified liabilities including the contingent liabilities of Transferor relating to the Demerged Undertaking as on the close of business hours on the day immediately preceding the Appointed Date, and all other liabilities of the Demerged Undertaking which may accrue or arise on or after the Appointed Date shall also be transferred to the Transferee, without any further act or deed, pursuant to the provisions of Section 232(4) of the Act, so as to become the debts, liabilities, duties and obligations of the Transferee. It is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- 6.8. The transfer and vesting of the Demerged Undertaking, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over the assets or any part thereof which are subsisting on transfer of such assets to the Transferee and relating to the liabilities of the Demerged Undertaking which are also transferred to the Transferee and such encumbrance shall without any further act, instrument or deed be modified and shall be extended to and operate only over the assets comprised in the Demerged Undertaking which have been encumbered in respect of liabilities of the respective undertakings transferred to the Transferee. The transfer of the Demerged Undertaking to the Transferee shall not affect the subsisting charges, mortgages and encumbrances over the retained assets of Transferor or any part thereof and relating to the liabilities of Transferor which are also retained in Transferor.



- 6.9. Without prejudice to the provisions of the above clauses and upon coming into the effect of this Scheme, the Transferor and the Transferee shall execute any instrument and/or document and to do all acts and/or deeds as may be required, including filing of necessary particulars and/or modification of charge with the respective Registrar of Companies/ Ministry of Corporate Affairs to give formal effect to the above provisions, if required.
- 6.10. It is clarified that all the taxes and duties payable by the Transferor, relating to the Demerged Undertaking, from the Appointed Date onwards including all advance tax payments, tax deducted at source, tax liabilities or any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of the Transferee. Accordingly, upon the Scheme becoming effective, the Transferor is expressly permitted to revise and the Transferee is expressly permitted to file their respective, income tax returns including tax deducted at source certificates, sales tax/value added tax returns, excise returns, service tax returns, goods and services tax returns and other tax returns, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 6.11. The assets and liabilities of the Demerged Undertaking shall be transferred to the Transferee from the Appointed Date in terms of this Scheme at their respective book values without any change in book values of assets and consequently the revaluation, if any, being ignored in terms of Section 2(19AA) of the Income Tax Act, 1961.

7. LEGAL PROCEEDINGS

- 7.1. Upon the coming into effect of the Scheme, all legal, or other proceedings by or against the Transferor and relating to the Demerged Undertaking under any statute including proceedings under various tax laws, whether pending on the Appointed Date or which may be instituted in the future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date shall be continued and enforced by or against the Transferee only. In the event of any difference or difficulty as to whether any specific legal or other proceeding relates to the Demerged Undertaking

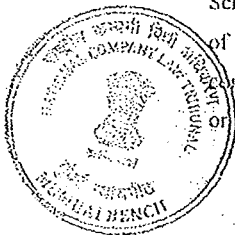


or not, a certificate jointly issued by the Board of Directors of the Transferor and the Transferee as to whether such proceeding relates to the Demerged Undertaking or not, shall be conclusive evidence of the matter. In the event it is not permissible for transferring such proceedings for any reason, the entire cost and consequence of such proceeding shall be to the account of the Transferee and the Transferee shall be deemed to have been empowered by the Transferor pursuant to this Scheme to conduct all such proceedings.

8. CONTRACTS & DEEDS

8.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, leases and other instruments of whatsoever nature pertaining to or arising out of the conduct of the Demerged Undertaking to which Transferor is a party or to the benefit of which the Transferor may be eligible and which are subsisting or having effect immediately before the Effective Date, shall, without the requirement of any further action or deed on the part of the Transferor and/or the Transferee, be in full force and effect against or in favour of the Transferee as the case may be and may be enforced as fully and effectually as if, instead of the Transferor, the Transferee had been a party or beneficiary thereto.

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



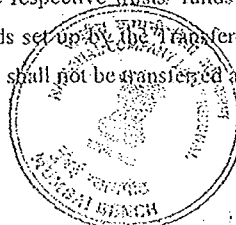
9. SAVING OF CONCLUDED CONTRACTS/ TRANSACTIONS
ALREADY COMPLETED

The transfer and vesting of the Demerged Undertaking under the Scheme to the Transferee, and the continuance of all proceedings by or against, and all contracts with, the Transferee under the provisions hereof shall not affect any contracts or proceedings relating to the Demerged Undertaking already concluded by the Transferor on or after the Appointed Date to the end and intent that the Transferee accepts and adopts all acts, deeds, matters and things done and / or executed by the Transferor in regard thereto as having been done or executed on behalf of the Transferee.

10. EMPLOYEES

10.1. The Transferee undertakes to engage, on and from the Effective Date, all employees of the Transferor engaged in the Demerged Undertaking, on the terms and conditions which shall not be less favourable than those on which they are engaged as on the Effective Date by the Transferor without any interruption of service as a result of the demerger, i.e. with full continuity of service, including for past leave encashment, retirement benefits, such as gratuity, etc. The Transferee agrees that the services of all such employees with the Transferor up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible in the Transferor. The Transferee further agrees that for the purpose of payment of any retrenchment compensation, such past services with Transferor shall also be taken into account. Thus, all employees referred to above shall become the employees of the Transferee on and from the Effective Date.

10.2. In so far as the Provident Fund Registration No.PYKRP53012 and ESIC Registration No.53000332410001102, Gratuity Fund, Superannuation Fund or other Special Scheme(s) / Fund(s) created or existing for the benefit of the employees of the Demerged Undertaking are concerned, upon the coming into effect of this Scheme, the balances standing to the account of the employees of the Demerged Undertaking in the said funds as on the Effective Date shall stand transferred from the respective trusts/ funds of the Transferor to the corresponding trusts/ funds set up by the Transferee. The said Provident Fund and ESIC registrations shall not be transferred and



vested in the Transferee pursuant to the Scheme and shall continue to vest in the Transferor. In the event such trusts/ funds have not yet been set up by the Transferee as on the Effective Date, the Transferor shall continue to maintain the aforesaid funds till such time as adequate arrangements are made by the Transferee to set up corresponding funds into which the transfer of accruals/ entitlements of each transferred employee may be effected by the Transferor.

- 10.3. The Transferor shall not, save and except with the prior consent in writing of the Board of Directors of the Transferee, which consent shall not be unreasonably withheld, change any employee salary structure or any benefit, perks or schemes made available to employees (if any) of the Transferor employed in the Demerged Undertaking other than in the ordinary course of business and / or pursuant to any pre-existing writing.

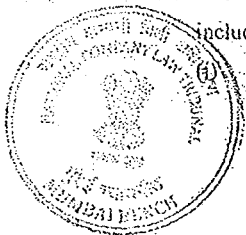
11. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

- 11.1. With effect from the Appointed Date and upto and including the Effective Date, the Transferor

- (i) is and shall be deemed to have been carrying on and shall carry on all business and activities relating to the Demerged Undertaking and stand possessed of the properties to be transferred, for and on account of and in trust for the Transferee;
- (ii) any loans and liabilities repaid, incurred, charges / mortgages created and/or satisfied of all the business and activities relating to the Demerged Undertaking shall be to the account of and in trust for the Transferee; and
- (iii) all profits accruing to the Transferor or losses arising or incurred by it relating to the Demerged Undertaking shall, for all purposes, be treated as the profits or losses as the case may be of the Transferee.

- 11.2. The Transferor hereby undertakes from the Appointed Date up to and including the Effective Date

(i) to carry on the business of the Demerged Undertaking with proper prudence and without the prior written consent of the Transferee not

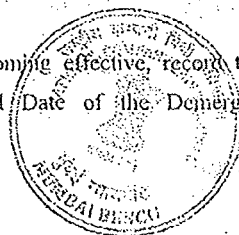


to alienate, charge or otherwise deal with or dispose of the Demerged Undertaking or any part thereof (except in the ordinary course of business); and

- (ii) Not to utilize the profits, if any, relating to the Demerged Undertaking for the purposes of declaring or paying any dividend in respect of the period falling on and after the Appointed Date.

12. CONSIDERATION

- 12.1. Upon the Scheme becoming effective and in consideration of the demerger and transfer of the Demerged Undertaking, (i) for every 1 (One) equity share held by the equity shareholders of the Transferor whose names appear in the register of members of the Transferor as on the Record Date, the Transferee shall, without further application, issue and allot 1509 (One Thousand Five Hundred and Nine) equity shares of Rs.10/- each in the Transferee, credited as fully paid up and (ii) for every 1 Non-Cumulative Redeemable Preference Share of Rs.100,000/- each held by the preference shareholders of the Transferor whose names appear in the register of members of the Transferor as on the Record Date, the Transferee shall, without further application, issue and allot 1 Non-Cumulative Redeemable Preference Share of Rs.100,000/- each in the Transferee, credited as fully paid up.
- 12.2. The equity shares of the Transferee to be allotted and issued to the shareholders of the Transferor pursuant to the provisions of Clause 12.1 above shall for the purpose of dividend, voting rights and in all other respects rank pari-passu in all respects with the existing equity Shares of the Transferee, including with regard to entitlement to dividends in respect of all dividends declared by the Transferee on or after the Record Date.
- 12.3. Any fractional entitlements to which the shareholders of the Transferor may be entitled on issue and allotment of the shares of the Transferee as provided under the provisions of Clause 12.1 above shall be ignored and no shares shall be issued to the relevant entitled shareholders of the Transferor.
- 12.4. The Transferee shall, upon the Scheme becoming effective, record the assets and liabilities as on the Appointed Date of the Demerged



Undertaking vested in it pursuant to the Scheme, at their respective book values appearing in the books of account of the Transferor and credit to its share capital account in its books of account, the aggregate face value of the respective equity shares issued by it to the shareholders of the Transferor pursuant to the Scheme.

- 12.5. The excess or deficit, if any, of the aggregate book value of the Assets of the Demerged Undertaking as specified in Clause 12.4 above over the aggregate book value of the Liabilities of the Hotel Undertaking and the Liabilities of Retail Undertaking upon their transfer to and vesting in the Transferee under the Scheme after accounting the face value of the equity shares issued and allotted under the Scheme by the Transferee to the shareholders of the Transferor shall be credited or debited, as the case may be, to the capital reserve account or goodwill account of the Transferee, as the case may be.

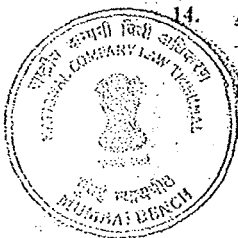
13. REDUCTION OF SHARE CAPITAL

In consideration for the transfer of the Demerged Undertaking to the Transferee, the Transferee shall *inter alia* issue 1 preference share of Rs.100,000/- each in the Transferee, credited as fully paid up for every 1 preference share of Rs.100,000/- each held by the preference shareholders of the Transferor whose names appear in the register of members of the Transferor as on the Record Date. Accordingly, upon the transfer of the Demerged Undertaking from the Transferor to the Transferee, the preference share capital of the Transferor shall stand reduced by 1,600 Non-cumulative redeemable preference shares of Rs.100,000 each, fully paid-up. Furthermore, upon the transfer of the Demerged Undertaking from the Transferor to the Transferee, the Securities Premium Account of the Transferor shall also stand reduced by Rs.42,55,29,067/- to represent part of the value of the assets that have been transferred.

14. ACCOUNTING TREATMENT

Treatment in the books of the Transferee:

Upon this Scheme becoming effective, Transferee Company shall account for the demerger in its books of account in accordance with the method of



accounting as prescribed in the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under and other Generally Accepted Accounting Principles in India.

The accounting treatment will be as under:

- (i) for the purpose of accounting for and dealing with the book value of the assets, liabilities and reserves in the books of account of the Transferee Company upon the Scheme becoming effective, columnar financial statements of the Transferor Company as of the close of business on the day immediately preceding the Appointed Date shall be prepared, audited by the statutory auditor of the Transferor Company and forwarded to the Transferee Company;
- (ii) upon the Scheme being effective, the Transferee Company shall record the assets and liabilities of the Demerged Undertaking of the Transferor Company vested in it pursuant to the Scheme at their respective book values as appearing in the books of account of the Transferor Company as would be set out in the aforesaid columnar Audited financial statements of the Transferor Company prepared as of the close of business on the day immediately preceding the Appointed Date, subject to suitable adjustments being made, if any, to ensure uniformity of accounting policies;
- (iii) the Transferee Company shall credit its non-cumulative redeemable preference share capital account with the face value of non-cumulative redeemable preference shares to be issued to the preference shareholders of the Transferor Company, in accordance with the provisions of clause 12.1 of the Scheme;
- (iv) the Transferee Company shall credit its equity share capital account with the aggregate face value of the equity shares to be issued to the shareholders of the Transferor Company as per the exchange ratio stated in clause 12.1 and pursuant to the provisions of clause 12.1 of the Scheme;
- (v) surplus or deficit, if any, of the book value of the assets over the book value of the liabilities of the Demerged Undertaking acquired



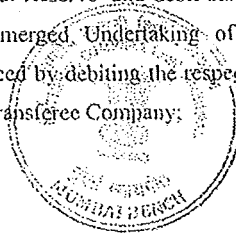
pursuant to this Scheme by the Transferee Company shall, after adjusting for the face value of the Preference Shares and Equity Shares to be issued by the Transferee Company to the shareholders of the Transferor Company pursuant to this Scheme, shall be: (a) in case of a surplus, recorded as and credited to the capital reserve account, in the books of the Transferee Company, and (b) in case of a deficit, recorded as and debited to the goodwill account in the books of the Transferee Company;

- (vi) identity of the reserves which comprises of Securities Premium Account, General Reserve and debit balance of Profit and Loss Account of Demerged Undertaking, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company, as on the Appointed Date, subsequent to this Scheme becoming effective;
- (vii) all transactions between the Demerged Undertaking and the Remaining Business of the Transferor Company shall be considered as intra party transactions. The opening balance of such intra party transactions as on the Appointed Date and any increase or decrease in such balances on account of transactions between the Demerged Undertaking and the Remaining Business till the Effective Date shall be accounted as amounts payable / receivable by the Transferee Company to / from the Transferor Company;
- (viii) in case of any differences in accounting policies followed by the Transferor Company from that of the Transferee Company, impact of the same till the date immediately preceding the Appointed Date shall be quantified and be appropriately adjusted and reported in accordance with Accounting Standards in the books of the Transferee Company, so as to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policies.



Accounting Treatment In The Books Of The Transferor Company

- (i) Upon this Scheme becoming effective, Transferor Company shall account for the demerger in its books of account in accordance with the method of accounting as prescribed in the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made thereunder and other Generally Accepted Accounting Principles in India.
- (ii) for the purpose of accounting for and dealing with the book value of the assets, liabilities and reserves, in the books of account of the Transferor Company, upon the Scheme becoming effective, columnar financial statements of the Transferor Company as of the close of business on the day immediately preceding the Appointed Date shall be prepared, audited by the statutory auditors of the Transferor Company and forwarded to the Transferee Company;
- (iii) upon the Scheme being effective, the assets and liabilities of the Transferor Company relating to the Demerged Undertaking being transferred to the Transferee Company shall be at the book values as appearing in the books of account of the Transferor Company as would be set out in the aforesaid certified columnar Audited Balance Sheet and Statement of Profit & Loss of the Hotel Undertaking and the Retail Undertaking prepared as of the close of business on the day immediately preceding the Appointed Date, subject to suitable adjustments being made, if any, to ensure uniformity of accounting policies;
- (iv) the reduction of non-cumulative redeemable preference share capital account of the Transferor Company shall be effected as an integral part of the Scheme, in accordance with the provisions of clause 13 of the Scheme;
- (v) the securities premium account, General Reserve and debit balance of Profit and Loss Account of Demerged Undertaking of the Transferor Company, shall stand reduced by debiting the respective account on account of transfer to the Transferee Company;



- (vi) all transactions between the Demerged Undertaking and the Remaining Business of the Transferor Company shall be considered as intra party transactions. The opening balance of such intra party transactions as on the Appointed Date and any increase or decrease in such balances on account of transactions between the Demerged Undertaking and the Remaining Business till the Effective Date shall be accounted as amounts payable/ receivable by the Transferee Company to / from the Transferor Company;
- (vii) in case of any differences in accounting policies followed by Transferor Company from that of Transferee Company, impact of the same till the date immediately preceding the Appointed Date shall be quantified and be appropriately adjusted and reported to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policies.

15. REMAINING BUSINESS

- 15.1. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and continue to be vested in and be managed by the Transferor.
- 15.2. All legal, taxation or other proceedings by or against the Transferor 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 Transferor in respect of the Remaining Business) shall be continued and enforced by or against the Transferor (or successor thereof). The Transferee shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Transferor (or successor thereof).
- 15.3. All contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature other than those relating to the Demerged Undertaking to which the Transferor is a party, subsisting or having effect



on or before the Existing Date shall continue to be in full force and effect against or in favour of the Transferor.

15.4. With effect from the Appointed Date and up to and including the Effective Date, the Transferor

- (i) 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;
- (ii) all profits accruing to the Transferor thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits, taxes or losses, as the case may be, of the Transferor (or successor thereof); and
- (iii) all assets and properties acquired by the Transferor in relation to the Remaining Business on or after the Appointed Date shall belong to and continue to be and remain vested in the Transferor.

PART IV – GENERAL TERMS AND CONDITIONS

16. APPLICATIONS TO THE NCLT

16.1. The Transferor and the Transferee shall, with all reasonable dispatch, make applications to the NCLT seeking orders for dispensing with or convening as the case may be, the holding and conducting of the meetings of the respective classes of the members and/or creditors of the Transferor and the Transferee as may be directed by the NCLT.

16.2. On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of the Transferor and the Transferee as directed by the NCLT, unless waived by the NCLT, the Transferor and the Transferee, shall with reasonable dispatch, apply to the NCLT, for sanctioning the Scheme of Arrangement under Sections 230 to 232 of the Act and for an order as the NCLT may deem fit for carrying this Scheme into effect.



17. MODIFICATIONS / AMENDMENTS TO THE SCHEME

17.1. Subject to applicable law and the order of the NCLT, the Transferor through its Board and the Transferee through its Board may at any time, in their absolute discretion, and jointly and mutually in writing, modify, vary, alter, interpret, clarify, give such directions as may be necessary to settle any question or difficulty in relation to this Scheme. This would include any alteration or modification in the Scheme pursuant to any directions issued by the NCLT.

17.2. For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Directors of the Transferor and the Transferee are authorized to give such directions and/or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

18. EFFECTIVE DATE

Effective date means the date or the last of the dates on which the conditions set out below have been complied with:

- 18.1. the sanction of the NCLT under Sections 230 to 232 of the Act being obtained; and
- 18.2. the certified copies of the order of the NCLT being filed with the Registrar of Companies, Maharashtra.

19. COSTS

All costs, charges and expenses including stamp duty, if any and registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee and shall be treated as costs relating to the Scheme.

20. WITHDRAWAL OF THE SCHEME

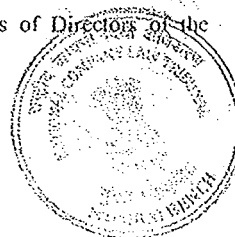
The Board of Directors of the Transferor and Transferee shall, with the leave of the NCLT, be at liberty to withdraw the Scheme at any stage prior to obtaining the sanction of the NCLT. Upon such withdrawal, the Scheme shall stand revoked, cancelled and be of no effect and no rights and



liabilities whatsoever shall accrue to or be incurred inter se to the Transferor and the Transferee or their respective shareholders or creditors or employees or any other person.

21. RESIDUAL PROVISIONS

- 21.1. After this Scheme becomes effective, the Transferee shall be entitled to operate all bank accounts relating to the Demerged Undertaking and realise all monies and complete and enforce all subsisting contracts and transactions in respect of the Demerged Undertakings in the name of the Transferor in so far as may be necessary until the transfer of rights and obligations of the Transferor to the Transferee under this Scheme is formally accepted by the parties concerned.
- 21.2. The demerger, transfer and vesting of the Demerged Undertaking under this Scheme has been proposed in compliance with the provisions of Section 2(19AA) of the Income-Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said Section. Such modification will however not affect the other parts of the Scheme.
- 21.3. If any doubt or difference or issue shall arise between the Transferor and the Transferee or any of their shareholders, creditors, employees and/or any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme including without limitation the actual Hotel Premises, the Retail Premises and the actual undivided right, title and interest in the Larger Land pursuant to the Scheme belonging to each undertaking, the same shall be determined by decided by mutual consent between the Boards of Directors of the Transferor and the Transferee from time to time.



- 21.4. All approvals, sanctions, entitlements, endorsements, transfer or permits, statutory and other registers of any authorities as well as any record maintained by any statutory or other authority shall upon request of the Transferee be modified by the relevant authorities to record the impact on such registers and records by virtue of this Scheme.
- 21.5. Any error, mistake, omission, commission, which is apparent and/or absurd in the Scheme should be read in a manner which is appropriate to the intent and purpose of the Scheme and in line with the rationale as mentioned herein above.
- 21.6. If any part of the Scheme is found to be infeasible or unworkable for any reason whatsoever, subject to the decision of the respective boards of directors of the Transferor and the Transferee, this shall not affect the validity or implementation of the other parts and/or provisions of the Scheme.
- 21.7. The Transferee shall be entitled to depute such number of representatives to the offices of the Transferor to ensure compliance with the provisions of the Scheme, and no major decision or action shall be taken by the Transferor in relation to the Demerged Undertaking and no agreement or transaction in relation to the Demerged Undertaking (other than an agreement or transaction in the ordinary course of business of the Demerged Undertaking) shall be entered into or performed without the prior approval of the Transferee and for this purpose, the representatives of the Transferee shall be entitled to attend the offices of the Transferor and observe the business and activities being carried out by the Transferor in relation to the conduct of the Demerged Undertaking.



Certified True Copy
 Date of Application 9.8.2017
 Number of Pages 26
 Page No. 140
 Applicant called for correction copy on 11.4.2017
 Copy prepared on 11.9.2017
 Copy issued on 11.9.2017

[Signature]

Deputy Director
 National Company Law Tribunal, Mumbai Bench

BEFORE THE NATIONAL COMPANY
LAW TRIBUNAL, MUMBAI BENCH
COMPANY PETITION NO. 322 OF 2017
[In the matter of Sections 230 to 232 of the
Companies Act, 2013]
CHALET HOTELS PRIVATE
LIMITED ...PETITIONER/TRANSFeree



Certified Copy of Order dated August 2,
2017 along with Scheme

Wadia Ghandy & Co.,
Advocates for the Petitioner /
Transferee
2nd Floor, N.M. Wadia Bldg.,
123, M.G. Road, Fort,
Mumbai 400 001
HCSSP10029/Madhupreetha/NDK

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

CSP No. 324 OF 2017

Under Sections 230 to 232 of the
Companies Act, 2013 (including any
statutory re-enactments, amendments or
modifications thereof);

In the matter of Scheme of Arrangement
between Magna Warehousing and
Distribution Private Limited
("Transferor") and Chalet Hotels
Private Limited ("Transferee") and
their respective shareholders and
creditors

CHALET HOTELS PRIVATE LIMITED ... Petitioner/ Transferee

Order delivered on August 2, 2017

CORAM:

Hon'ble Mr. B. S. V. Prakash Kumar, Member (J)

Hon'ble Mr. V. Nallasenapathy, Member (T).

For the Petitioner: (1) Mr. Sameer Pandit, Adv.
(2) Ms. Madhupreetha Elango
i/b. Wadia Ghandy & Co.

For the Regional Director: Mr. Ramesh Gholap

Per: B. S. V. Prakash Kumar, Member (J)

ORDER

1. Heard learned Advocates appearing for the Petitioner. No objector has come before this Hon'ble Tribunal to oppose the Scheme, nor has any party controverted any averments made in the captioned Petition.



2. The sanction of the Court is sought under Sections 230 to 232 of the Companies Act, 2013, to the Scheme of Arrangement ("Scheme") for the merger of Magna Warehousing & Distribution Private Limited ("Transferor") with Chalet Hotels Private Limited ("Transferee").
3. Learned Advocate for the Petitioner, submits that the Transferee carries on the business of operating hotels, retail and real estate development and has a presence in the real estate business in Bengaluru. The Transferor is a wholly owned subsidiary of the Transferee. The Transferor primarily carries on the business of leasing certain office premises.
4. The Scheme will result in reduction of administrative procedures involving two separate entities. The merger will also result in economies of scale, reduction in overheads including administrative, managerial and other expenses, organizational efficiency and optimum utilization of resources and will provide greater financial capacity in terms of raising loans / capital.
5. The Learned Advocate for the Petitioner states that the Board of Directors of the Petitioner and the Transferor have approved the Scheme in their Board Meetings and extract of the resolutions passed in this regard are annexed to the captioned Company Scheme Petition.
6. The Learned Advocate for the Petitioner states that Petitioner has complied with all the requirements as per the directions of this Hon'ble Tribunal and have filed necessary affidavit(s) of compliance in this Hon'ble Tribunal. Moreover, the Petitioner through its Advocate undertakes to comply with all statutory requirements, if any, as required under Companies Act, 2013 and the Rules made thereunder, as applicable. The said undertaking is accepted.



7. The Regional Director vide his Report dated June 1, 2017 has stated therein that save and except as stated in paragraphs IV (1) to (6) of the said Report, it appears, according to the Regional Director, that the Scheme is not prejudicial to the interest of the shareholders and the public. The aforesaid paragraphs IV (1) to (6) read as under:

"IV. The observations of the Regional Director on the proposed Scheme to be considered are as under:-

1. *The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Tribunal may not deter the Income Tax Authority to scrutinize the tax return filed by the transferee Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Company.*

2. *Certificate by the Company's Auditor stating that the accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 is not available.*

In this regard it is requested that Petitioner may be asked to submit the certificate to comply with the provisions of Section 232(3) proviso of the Companies Act, 2013.

3. *It is submitted that the Petitioner Companies have submitted the copy of serving notice, upon the Income Tax Authorities dated 20.02.2017 for comments. This Directorate has also issued a reminder letter to the Income Tax Department dated 23.05.2017.*

4. *Petitioner has mentioned in Clause - 1 under the heading purpose of the scheme of arrangement that the Scheme of Arrangement is between Magna Warehousing and Distribution Private Limited, the Transferor Company with Chalet Hotels Private Limited, the Transferee Company and Their Respective Shareholders and creditors. Whereas there is no demerger is proposed.*



In this regard Petitioner Company to undertake to state the proposed scheme is for amalgamation and not for demerger.

5. The Director of the petitioner transferee company in the affidavit filed regarding compliance of various laws Inter alia mentioned that the auditors have reported one matter in para V which is reproduced as under: Note 28 regarding suspension of construction activity and sale of flats at the company's Bengaluru Residential Project. At March 31.3.2016 amounts related to the project carried under inventories is Rs. 253,30,21,132/- and under trade receivables is Rs. 6768943/-. No provision against these amount is considered necessary by the company at this stage for reason stated in the note.

Foot note 92) to note 13(a) regarding the lease hold land on which the company's four points by Sheraton Hotel Vashi (Navi Mumbai) has been built, which is presently under litigation pending outcome of proceedings and a final closure of the matter no adjustments have been made in the financial statements for the year ended March 31, 2016 (amounts presently unascertainable).

In this regard Petitioner Company's Director has not submitted their explanation in their report which is an offence. Petitioner Company undertake to apply for compounding the offence.

6. Petitioner company have submitted Minutes of Order dated 09.02.2017 mentioned that meeting of secured creditors, unsecured creditors and equity shareholders has convened but no chairman report has submitted.

In this regard Petitioner companies undertake to submit Chairman Report and result out of the convened Meeting of secured creditors, unsecured creditors and equity shareholders & Preference shareholders.

8. As regards the observations at paragraph IV(1) of the Regional Director's Report, the Petitioner through its Advocate undertakes to comply with the applicable provisions of the Income Tax Act, 1961



and all issues concerning taxation arising as a consequence of the Scheme shall be dealt with and addressed in accordance with the applicable provisions of the income tax law.

9. As regards the observations at paragraph IV(2) of the Regional Director's Report, the Petitioner through its Advocate submit that a copy of the Certificate by the Petitioner's Auditors dated January 20, 2017 stating that the accounting treatment if any proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 has been duly submitted by the Petitioner vide its letter dated March 6, 2017. In any event a copy of the said certificate has been placed on record vide the Affidavit of Mr. Ramesh Valecha dated July 26, 2017 in response to the Regional Director's report.
10. As regards the observations at paragraph IV(3) of the Regional Director's Report, the Petitioner through its Advocate submits that no objection has been received from the Income Tax Authorities and the observation has been duly noted.
11. As regards the observations at paragraph IV(4) of the Regional Director's Report, the Petitioner through its Advocate clarifies that the Scheme of Arrangement is for amalgamation and not for demerger.
12. As regards the observations at paragraph IV(5) of the Regional Director's Report, the Petitioner through its Advocate submits that as per Section 134(3)(f) of the Companies Act, 2013 the Board is only required to provide an explanation to any "qualification, reservation, adverse remark or disclaimer" made by the Auditors in their report. The Petitioner's Auditors in their report dated August 3, 2016 have not made any "qualification, reservation, adverse remark or disclaimer". The Auditor's remarks extracted in the aforementioned paragraph of the Regional Director's Report are not in the nature of any "qualification, reservation, adverse remark or



disclaimer" but are only set out in the section of "Emphasis of Matters". The Petitioner through its Advocate submits that "Emphasis of Matters" is different from a "qualification, reservation, adverse remark or disclaimer" and is *inter alia* governed by "Standard on Auditing (SA) 706 (Revised) Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report". Moreover, the Auditors Report also expressly states that the report is not qualified in respect of such "Emphasis of Matters". The Petitioner through its Advocate submits that in any event, the explanations pertaining to the said remarks have been furnished in the Director's Report for the Financial Year 2015-16 dated August 3, 2016, under the heading "*Significant and Material Orders passed by regulators, courts or tribunals impacting the going concern status and company's operations in future*". Accordingly, the Report of the Board of Directors of the Petitioner is not in violation of any provision of the Companies Act, 2013 and that the Petitioner is therefore not required to apply for compounding of offence.

13. As regards the observations at paragraph IV(6) of the Regional Director's Report, the Petitioner through its Advocate submits that in compliance with the order dated February 9, 2017, the Petitioner has filed with the Hon'ble National Company Law Tribunal the Chairperson's reports dated March 30, 2017 setting out the result of the meetings of the equity shareholders, secured creditors and unsecured creditors, on March 30, 2017. In any event copies of the said Chairpersons' reports have been placed on record vide the Affidavit of Mr. Ramesh Valecha dated July 26, 2017 in response to the Regional Director's report.
14. The Learned Representative for Regional Director, on the instructions from the office of Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertakings given by the Advocate for the Petitioner. The said undertakings given by the Petitioner are accepted.



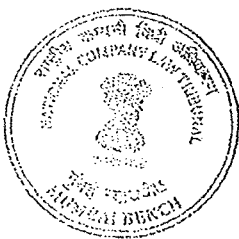
15. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
16. Since all the requisite statutory compliances have been fulfilled, the captioned Company Scheme Petition is made absolute in terms of prayer clauses (a) and (b).
17. The Petitioner is directed to lodge a copy of this Order and the Scheme duly certified by the Deputy Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same, within 60 (sixty) days from the date of receipt of the Order.
18. The Petitioner is further directed to file a copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-Form INC 28 in addition to physical copies as per the relevant provisions of the Companies Act, 2013.
19. The Petitioner to pay costs of Rs.25,000/- to the Regional Director, Western Region, Mumbai, within four weeks from the date of receipt of this Order.
20. All concerned regulatory authorities to act on a copy of this order along with the Scheme, duly authenticated by the Deputy Registrar, National Company Law Tribunal, Mumbai Bench.

Sd/-


V. Nallāsenapathy, Member (T)

Sd/-

B. S. V. Prakash Kumar, Member (J)



Certified True Copy
Copy Issued "free of cost"
On: 11/09/2017


Deputy Director

National Company Law Tribunal, Mumbai Bench

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

BETWEEN

MAGNA WAREHOUSING & DISTRIBUTION

PRIVATE LIMITED

... TRANSFEROR

AND

CHALET HOTELS PRIVATE LIMITED

... TRANSFeree

AND

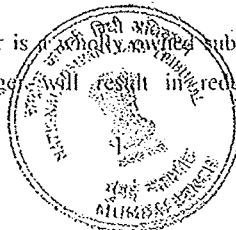
THEIR RESPECTIVE CREDITORS AND SHAREHOLDERS

1. PURPOSE OF THE SCHEME OF ARRANGEMENT ("SCHEME")

This Scheme of Arrangement is presented under Sections 230 to 232 of the Companies Act, 2013 (including any statutory modifications or amendments thereof) for the merger of Magna Warehousing & Distribution Private Limited ("Transferor") with Chalet Hotels Private Limited ("Transferee").

2. RATIONALE OF THE SCHEME

- 2.1. The Transferor is a wholly owned subsidiary of the Transferee. The Transferor primarily carries on the business of leasing certain office premises.
- 2.2. The Transferee carries on the business of operating hotels, retail and real estate development and has a presence in the real estate business in Bengaluru.
- 2.3. The Transferor's only substantial business involves leasing of certain office premises in Bengaluru. It is intended to consolidate the real estate business of the Transferor, a subsidiary of the Transferee, and the real estate business of the Transferee, into a single entity. In line with this objective, the Transferor proposes to merge with the Transferee.
- 2.4. Moreover, the Transferor is a wholly owned subsidiary of the Transferee and the proposed merger will result in reduction of administrative



procedures involving two separate entities. The merger will also result in economies of scale, reduction in overheads including administrative, managerial and other expenses, organizational efficiency and optimum utilization of resources and will provide greater financial capacity in terms of raising loans / capital.

2.5. In the light of the aforesaid objectives, the Board of Directors of the Transferor and Transferee have approved the merger of the Transferor with the Transferee.

2.6. The objects of the Transferor and the Transferee permit such arrangement. As per clause 35 of the Memorandum of Association of the Transferor, the Transferor may amalgamate with any other company having objects altogether or in part similar to those of the Transferor. As per clause 9 of the Memorandum of Association of the Transferee, the Transferee may acquire and take over any business or undertaking carried on, upon or in connection with any land or building which the Transferee may desire to acquire as well as act in conjunction with, unite or amalgamate with, create or constitute or assist or creating or constituting any other Company or Association of a kind similar wholly or partially to the Transferee.

3. PARTS OF THE SCHEME

The Scheme is divided into the following parts:-

- 3.1. Part I deals with the Definitions and Share Capital
- 3.2. Part II deals with the merger of the Transferor with the Transferee
- 3.3. Part III deals with the general terms and conditions applicable to the Scheme

PART I – DEFINITIONS AND SHARE CAPITAL.

4. DEFINITIONS

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

“Act” means the Companies Act, 2013 including any statutory modifications, re-enactments or amendments thereof from time to time.



- 4.2. "Appointed Date" means November 1, 2016 or such other date as may be approved by the Tribunals (defined hereinafter).
- 4.3. "Book Value" means the value of the assets and liabilities of the Transferor as appearing in books of accounts of the Transferor, at the close of business hours on the day immediately preceding the Appointed Date.
- 4.4. "Effective Date" means the date or the last of the dates on which the conditions set out in Clause 17 below of the scheme have been complied with. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "becomes operative" or "becoming effective" or "becoming operative" shall mean the Effective Date.
- 4.5. "Larger Land" means all that piece and parcel of land admeasuring approximately 39,512 square meters bearing Plot Nos. 75, 76, 85 to 87 C.A. Plot and Plot No. 88 (part) and Survey Nos. 97, 98, 149, 150, and 151 and in the Export Promotion Industrial Park within the limits of Hoodi Village, K. R. Puram Hobli, Bangalore East Taluk, Bangalore District, Karnataka.
- 4.6. "National Company Law Tribunal" means the National Company Law Tribunal, Bengaluru Bench and National Company Law Tribunal, Mumbai Bench (collectively referred to as "Tribunals").
- 4.7. "Scheme of Arrangement" or "Scheme" or "this Scheme" or "the Scheme" means this Scheme of Arrangement under Sections 230 to 232 of the Act in the present form or with such modifications, as sanctioned by the Tribunals.
- 4.8. "Transferee" means Chalet Hotels Private Limited, a company incorporated under the Act and having its registered office at Raheja Tower, Plot No. C-30, Block G, Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.



4.9. "Transferor" means Magna Warehousing & Distribution Private Limited, a company incorporated under the Act and having its registered office at No. 75, EPIP Area, Next to Satya Sai Hospital, Whitefield, Bengaluru- 560 066 and which term shall include its successors and assigns from time to time.

4.10. "Undertaking of the Transferor" means and includes the following:

- (i) All assets of the Transferor as on the Appointed Date;
- (ii) All debts, liabilities, duties and obligations of the Transferor as on the Appointed Date;
- (iii) Without prejudice to the generality of sub-clauses (i) and (ii) hereinabove, Undertaking of the Transferor shall mean and include the whole of the undertaking of the Transferor, as a going concern, including its business, all secured and unsecured debts, liabilities, duties, obligations, 11.67% undivided right, title and interest in the Larger Land, all the assets and properties, whether movable or immovable, real or personal, fixed assets, in possession or reversion, corporeal or incorporeal, tangible or intangible, current assets, present or contingent assets including stock, shares, investments, claims, powers, authorities, allotments, approvals, registrations, agreements, contracts, arrangements, title deeds jointly held with other persons, engagements, rights, titles, interests, benefits, advantages, sundry debtors, bills of exchange, loans and advances, leasehold rights, tenancy rights, intellectual property rights, data, information, permits, authorisations, quota rights, including reserves, funds, provisions, equipment and installations and utilities, electricity water and other service connections, records, files, employees and benefits of agreements, contracts and arrangements, balances with all regulatory authorities, liberties, advantages, easements and all rights titles, interest goodwill benefits and advantages, deposits, reserves, benefits, advantages, receivables, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of Income Tax, Minimum Alternate Tax, GST, VAT, Sales Tax, Service Tax etc.) and all other



rights, claims and powers, of whatsoever nature and wheresoever situated, belonging to or in the possession of, or granted in favour of, or enjoyed by the Transferor, as on the Appointed Date, and all the earnest money and/or deposits including security deposits paid by the Transferor as on the Appointed Date and all other rights, obligations, benefits available under any rules, regulations, statutes, including Direct and Indirect Tax laws, derived by the Transferor and all necessary records, files, papers, computer programs, websites, domain names and other records whether in physical or electronic form in connection with or relating to the Transferor.

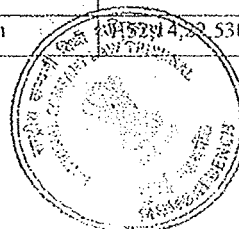
5. **SHARE CAPITAL**

5.1. The authorized, issued, subscribed and paid-up share capital of the Transferor is as under:

(As on October 31, 2016)	
Particulars	Amount in Rs.
Authorised:	
1,00,000 Equity Shares of Rs.10/- each	10,00,000/-
2,400 Non-Cumulative Redeemable Preference Shares of Rs.1,00,000/- each	24,00,00,000/-
Total	24,10,00,000/-
Issued, subscribed and paid-up :	
61,745 Equity Shares of Rs.10/- each fully paid-up	6,17,450/-
800 Non-Cumulative Redeemable Preference Shares of Rs.1,00,000/- each fully paid-up	8,00,00,000/-

5.2. The authorised, issued, subscribed and paid-up share capital of the Transferee is as under:

(As on October 31, 2016)	
Particulars	Amount in Rs.
Authorised	
15,25,00,000 Equity Shares of Rs.10/- each	1,52,50,00,000/-
Issued, subscribed and paid-up	
15,21,42,253 Equity Shares of Rs.10/- each	15,21,42,25,300/-



- 5.3. It is hereby clarified that between the Appointed Date and the Effective Date, the Transferee shall be permitted to issue further shares and make consequent changes to its authorised, issued, paid up and subscribed capital.

PART II – MERGER OF THE TRANSFEROR WITH THE TRANSFeree

6. TRANSFER

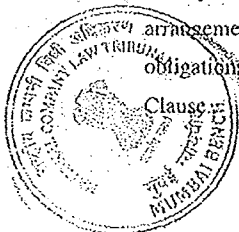
- 6.1. With effect from the Appointed Date and pursuant to the sanction of the Scheme by the Tribunals and in accordance with the provisions of Section 230 to 232 of the Act and/or any other applicable provisions of the Act or any other law for the time being in force, the Undertaking of the Transferor shall be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee as a going concern without any further act, deed, instrument, matter or thing, so as to become, as and from the Appointed Date, the estate, assets, rights, title, interest and authorities of the Transferee.
- 6.2. With effect from the Appointed Date, all immovable property (including land, buildings and any other immovable property) of the Undertaking of the Transferor, whether freehold or leasehold, and any documents, title, rights and easements in relation to such immovable properties, shall stand vested in the Transferee, without any act or deed done by the Transferor or the Transferee, and without any approval or acknowledgment of any third party. The Transferee shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfill all obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to such immovable properties will, if required, be made and duly recorded in the name of the Transferee by the appropriate authorities pursuant to the sanction of the Scheme and on the Scheme becoming effective in accordance with the terms hereof. The Transferor shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of the immovable property is given to the Transferee.



- 6.3. In respect of such assets of the Undertaking of the Transferor as are movable in nature or otherwise capable of transfer by manual delivery or by endorsement and delivery, wherever located, the same shall be so transferred by the Transferor, with effect from the Appointed Date, without requiring any deed or instrument of conveyance for the same and shall accordingly become the property of the Transferee, as an integral part of the Undertaking of the Transferor.
- 6.4. In respect of movables other than those specified in sub-clause 6.3 above, including sundry debts, outstanding loans and advances recoverable in cash or in kind or for value to be received and deposits with Government, Semi-Government, Local and other authorities and bodies and customers, etc., pertaining to the Undertaking of Transferor, shall stand transferred to and vested in the Transferee on and from the Appointed Date without any further act, instrument or deed, cost or charge and without any need to notify or intimate third party.
- 6.5. All assets, estate, rights, title, interest and authorities acquired by the Transferor after the Appointed Date and prior to the Effective Date for operation of the Undertaking of the Transferor shall also stand transferred to and vested in the Transferee upon the coming into effect of this Scheme.
- 6.6. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that all statutory approvals specific to the Undertaking of the Transferor, registrations (including service tax and VAT/GST registrations), licenses, certifications, permissions, consents, exemptions, allotments, permits, quotas, no objection certificates, entitlements, municipal permissions, approvals, subsidies, incentives, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, goods and services tax, etc.), privileges, liberties, advantages, interests, benefits, deferrals, concessions, plans, authorities, or powers of attorneys of whatsoever nature, and all other rights (including, but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, environmental clearances) and all other benefits appertaining to the Transferor and/ or to which the Transferor

is entitled to in respect of the Transferor, in terms of the various Statutes / Schemes / Policies, etc. of Union and State Governments, local authorities and bodies, shall be available to and vest in the Transferee, without any further act or deed and shall be mutated by the statutory authorities concerned therewith in favour of the Transferee. Since the Undertaking of the Transferor will be vested in the Transferee as a going concern without any break or interruption in the operations thereof, the Transferee shall be entitled to enjoy the benefit of all such statutory approvals, registrations, licenses, certifications, permissions, consents, exemptions, allotments, permits, quotas, no objection certificates, entitlements, municipal permissions, approvals, subsidies, incentives, grants, tax credits, privileges, liberties, advantages, interests and all other rights as enjoyed by the Transferor and to carry on and continue the operations of the Transferor on the basis of the same upon this Scheme becoming effective. Accordingly, all existing and future incentives, unavailed credits and exemptions, benefit of unabsorbed depreciation, carried forward losses and other statutory benefits, including in respect of Income Tax, Excise (including Modvat/Cenvat), Customs, VAT, Sales Tax, Service Tax, GST etc. which the Transferor is entitled to in relation to the Undertaking of the Transferor in terms of the various Statutes / Schemes / Policies, etc. of Union and State Governments shall be available to and vest in the Transferee upon this Scheme becoming effective.

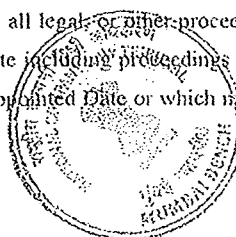
- 6.7. With effect from the Appointed Date all the liabilities of the Undertaking of Transferor including the contingent liabilities of Transferor relating to the Undertaking of Transferor as on the close of business hours on the day immediately preceding the Appointed Date, and all other liabilities of the Undertaking of Transferor which may accrue or arise on or after the Appointed Date shall also be transferred to the Transferee, without any further act or deed, pursuant to the provisions of Section 232(4) of the Act, so as to become the debts, liabilities, duties and obligations of the Transferee. It is clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this



- 6.8. Without prejudice to the provisions of the above clauses and upon coming into the effect of this Scheme, the Transferee shall execute any instrument and/or document and do all acts and/or deeds as may be required, including filing of necessary particulars and/or modification of charge with the respective Registrar of Companies/ Ministry of Corporate Affairs to give formal effect to the above provisions, if required.
- 6.9. It is clarified that all the taxes and duties payable by the Transferor, from the Appointed Date onwards including all advance tax payments, tax deducted at source, tax liabilities or any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of the Transferee.
- 6.10. Any liabilities due and/or outstanding or which may become due/ outstanding between the Transferor and the Transferee shall stand discharged and no liability/obligation will be imposed on any party with respect to the same.
- 6.11. All existing encumbrances over the assets and properties of the Transferee or any part thereof relating to the liabilities and obligations of the Transferee prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor transferred to and vested in the Transferee by virtue of the Scheme.
- 6.12. All existing encumbrances over the assets and properties of the Transferor or any part thereof relating to the liabilities and obligations of the Transferor prior to the Effective Date shall continue to relate only to the assets and properties of the Transferor transferred to and vested in the Transferee by virtue of the Scheme.

7. **LEGAL PROCEEDINGS**

Upon the coming into effect of the Scheme, all legal or other proceedings by or against the Transferor under any statute including proceedings under various tax laws, whether pending on the Appointed Date or which may be



instituted in the future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date shall be continued and enforced by or against the Transferee only.

8. CONTRACTS & DEEDS

8.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, leases and other instruments of whatsoever nature to which Transferor is a party or to the benefit of which the Transferor may be eligible and which are subsisting or having effect immediately before the Effective Date, shall, without the requirement of any further action or deed on the part of the Transferor and/or the Transferee, be in full force and effect against or in favour of the Transferee as the case may be and may be enforced as fully and effectually as if, instead of the Transferor, the Transferee had been a party or beneficiary thereto.

8.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertaking of the Transferor occurs by virtue of Part II of the Scheme itself, the Transferee may, at any time, after the Scheme comes into effect in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions.

9. EMPLOYEES

9.1. As on the Effective Date, all staff, workmen and employees of the Transferor in service as such date, shall be deemed to have become staff, workmen and employees of the Transferee without any break in their service. On the basis of continuity of employment there shall be no substantial change in the terms of employment of the employees of the Transferor, to their prejudice, at the time of such transfer of employment.

9.2. In so far as the Provident Fund, Gratuity Fund, Superannuation Fund or other Special Scheme(s) / Fund(s) created or existing for the benefit of the



employees, upon the coming into effect of this Scheme, the balances standing to the account of the employees in the said funds as on the Effective Date shall stand transferred from the respective trusts/ funds of the Transferor to the corresponding trusts/ funds set up by the Transferee and the registrations under Provident Fund, Gratuity Fund, Superannuation Fund or other Special Scheme(s) / Fund(s) of the Transferor shall be cancelled/dissolved.

10. REORGANIZATION OF SHARE CAPITAL

- 10.1. Consequent to and as part of the amalgamation of the Transferor with the Transferee, the Authorised Share Capital of the Transferor shall stand merged into and combined with the Authorised Share Capital of the Transferee, without any further act, deed including without payment of any stamp duty, registration or filing fee on such combined Authorised Share Capital.
- 10.2. Upon the Scheme becoming effective, the Authorised Share Capital of the Transferee shall automatically stand enhanced by the aggregate share capital of the Transferor of Rs.24,10,00,000/-. The Authorised Share Capital of the Transferee shall therefore stand enhanced to 176,60,00,000 (Rupees One Hundred Seventy Six Crore Sixty Lakhs only) divided into 15,26,00,000 (Fifteen Crore Twenty Six Lakh) equity shares of Rs.10/- each and 2400 (Two Thousand Four Hundred) Non-Cumulative Redeemable Preference Shares of Rs.1,00,000/- each. Clause V of the Memorandum of Association of the Transferee and Article 6 of the Articles of Association of the Transferee shall without any further act, instrument or deed, stand altered accordingly. The consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Sections 13, 14, 61 of the Companies Act, 2013 or any other applicable provisions of the Act or any Rules thereunder, would be required to be separately passed.
- 10.3. Accordingly, upon the Scheme becoming effective, the Capital Clause of the Memorandum of Association of the Transferee shall stand substituted to read as follows:



"The Authorised Share Capital of the Company is Rs.176,60,00,000 (Rupees One Hundred Seventy Six Crore Sixty Lakhs only) divided into 15,26,00,000 (Fifteen Crore and Twenty Six Lakh only) Equity Shares of Rs.10/- (Rupees Ten) each, and 2400 (Two Thousand Four Hundred) Non-Cumulative Redeemable Preference Shares of Rs.1,00,000/- each, with the rights, privileges and conditions attaching thereto as provided by the Articles of Association of the Company for the time being with power of the Company to increase or reduce such capital original or increased with or without any preference, priority or special privileges or subject to any postponement of rights or to any conditions or restrictions, and so that unless the conditions of issue otherwise expressly declare, any issue of shares, whether declared to be preference or otherwise shall be subject to the power hereinbefore contained."

Clause 6 of the Articles of Association of the Transferee shall stand substituted to read as follows:

"The Authorised Share Capital of the Company is Rs.176,60,00,000 (Rupees One Hundred Seventy Six Crore Sixty Lakhs only) divided into 15,26,00,000 (Fifteen Crore and Twenty Six Lakh only) Equity Shares of Rs.10/- (Rupees Ten) each, and 2400 (Two Thousand Four Hundred) Non-Cumulative Redeemable Preference Shares of Rs.1,00,000/- each, with the rights, privileges and conditions attaching thereto as provided by these Articles to increase or reduce such capital original or increased with or without any preference, priority or special privileges or subject to any postponement of rights or to any conditions or restrictions. Subject to the provisions of Section 55 of the Act and subject to the other provisions of these Articles, any preference shares may with the sanction of a special resolution of the members of the Company, be issued on the terms that they are, or at the option of the Company liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine. Subject to the provisions of the Act and these Articles, the Company shall also have the power to issue shares at a discount or at a premium."



11. DISSOLUTION OF THE TRANSFEROR

Upon the Scheme becoming effective, the Transferor shall stand dissolved without winding up, pursuant to the provisions of Section 232 of the Act.

12. CONSIDERATION

The entire equity share capital of the Transferor is held by the Transferee and its nominees. Accordingly, pursuant to the Scheme, no shares of the Transferee shall be allotted in respect of its holding in the Transferor. Upon the Scheme becoming effective, the entire share capital of the Transferor shall stand cancelled and extinguished. The investment in the shares of the Transferor appearing in the books of the Transferee, shall without any further act or deed, stand cancelled. The Transferee shall not, as on the Effective Date, hold any shares corresponding to its shareholding in the Transferor, either in its own name or in the name of any trust either on its behalf or on behalf of any of its subsidiary or associate company, and all such shares shall be cancelled or extinguished.

13. ACCOUNTING TREATMENT

Upon this Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books of account in accordance with the method of accounting as prescribed under 'pooling of interest' method in accordance with applicable Accounting Standards, notified under section 133 of the Companies Act, 2013 and the rules made thereunder and other Generally Accepted Accounting Principles in India.

The accounting treatment will be as under:

- (i) for the purpose of accounting for and dealing with the book value of the assets, liabilities and reserves in the books of account of the Transferee Company upon the Scheme becoming effective, financial statements of Transferor Company as of the close of business on the day immediately preceding the Appointed Date shall be prepared, and audited by the statutory auditor of the Transferor Company and such audited financial statements shall be forwarded to the Transferee Company by the Transferor Company.



- (ii) the book value of all the assets, liabilities and reserves of Transferor Company as recorded in the financial statements referred to in sub-clause (i) above shall be recorded in the books of accounts of the Transferee Company as such, subject to suitable adjustments being made, if any, to ensure uniformity of accounting policies;
- (iii) investments in the Share Capital of the Transferor Company in the books of accounts of the Transferee Company, whether held directly or indirectly through nominees, shall stand cancelled;
- (iv) surplus or deficit, if any, arising as a result of amalgamation of the Transferor Company into and with the Transferee Company, in terms of this Scheme, after adjustment of the amount of investment of the Transferee Company in the Transferor Company due to cancellation of the share capital of the Transferor Company, shall be adjusted to reserves in the books of the Transferee Company;
- (v) identity of the reserves of the Transferor Company, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Company, as on the Appointed Date.;
- (vi) all outstanding balances as on the Appointed date between the Transferor Company and the Transferee Company will stand cancelled and there shall be no further obligation in that behalf;
- (vii) in case of any differences in accounting policies followed by Transferor Company from that of Transferee Company, impact of the same till the date immediately preceding the Appointed Date shall be quantified and be appropriately adjusted and reported in accordance with Accounting Standards in the books of Transferee Company, so as to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policies.



14. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

14.1. With effect from the Appointed Date and upto and including the Effective Date, the Transferor:

(i) is and shall be deemed to have been carrying on and shall carry on all business and activities relating to the Transferor and stand possessed of the properties to be transferred, for and on account of and in trust for the Transferee;

(ii) any loans and liabilities repaid, incurred, charges / mortgages created and/or satisfied of all the business and activities relating to the Transferor shall be to the account of and in trust for the Transferee; and

(iii) all profits accruing to the Transferor or losses arising or incurred by it relating to the Transferor shall, for all purposes, be treated as the profits or losses as the case may be of the Transferee.

14.2. The Transferor hereby undertakes from the Appointed Date up to and including the Effective Date:

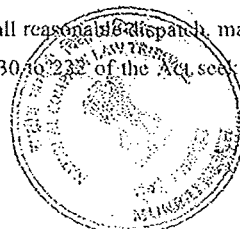
(i) to carry on the business of the Transferor with proper prudence and without the prior written consent of the Transferee not to alienate, charge or otherwise deal with or dispose of the business of Transferor or any part thereof (except in the ordinary course of business) and not to undertake any new business other than business contemplated/commenced as per business plans of the Transferor; and

(ii) Not to utilize the profits, if any, relating to the Transferor for the purposes of declaring or paying any dividend in respect of the period falling on and after the Appointed Date.

PART III – GENERAL TERMS AND CONDITIONS

15. APPLICATIONS TO THE TRIBUNALS

15.1. The Transferor and the Transferee shall, with all reasonable dispatch, make applications to the Tribunals under Sections 230 to 232 of the Act seeking



orders for dispensing with, or convening as the case may be, the meetings of the respective classes of the members and/or creditors of the Transferor and the Transferee as may be directed by the Tribunals.

- 15.2. On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of the Transferor and the Transferee as directed by the Tribunals, unless waived, the Transferor and the Transferee, shall with reasonable dispatch, apply to the Tribunals, for sanctioning the Scheme of Arrangement under Sections 230 to 232 of the Act and for an order or orders as the Tribunals may deem fit for carrying this Scheme into effect.

16. MODIFICATIONS / AMENDMENTS TO THE SCHEME

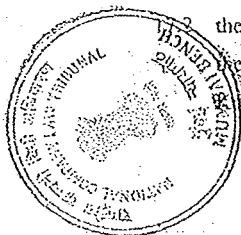
- 16.1. Subject to applicable law and the order of the Tribunals, the Transferor through its Board and the Transferee through its Board may at any time, in their absolute discretion, and jointly and mutually in writing, modify, vary, alter, interpret, clarify, give such directions as may be necessary to settle any question or difficulty in relation to this Scheme. This would not include any alteration or modification in the Scheme pursuant to any directions issued by the Tribunals, which would take effect as per law.

- 16.2. For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Directors of the Transferor and the Transferee are authorized to give such directions and/or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

17. EFFECTIVE DATE

Effective date means the date or the last of the dates on which the conditions set out below have been complied with:

- 17.1. the sanction of the Tribunals under Sections 230 to 232 of the Act is obtained; and



the certified copies of the orders of the respective Tribunals are filed with the Registrar of Companies, Maharashtra and the Registrar of Companies, Karnataka.

18. COSTS

All costs, charges and expenses including stamp duty, if any and registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee and shall be treated as costs relating to the Scheme.

19. WITHDRAWAL OF THE SCHEME

The Board of Directors of the Transferor and Transferee shall, with the leave of the Tribunals (as applicable) be at liberty to withdraw the Scheme at any stage prior to obtaining the sanction of the Tribunals. Upon such withdrawal, the Scheme shall stand revoked, cancelled and be of no effect and no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor and the Transferee or their respective shareholders or creditors or employees or any other person.

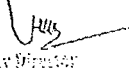
20. RESIDUAL PROVISIONS

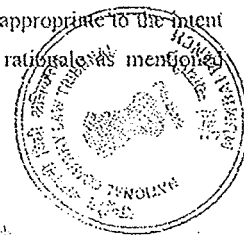
20.1. From the Effective Date, the Transferee shall be entitled to operate all bank accounts relating to the Transferor and realize all monies and complete and enforce all subsisting contracts and transactions in respect of the Transferor in so far as may be necessary until the transfer of rights and obligations of the Transferor to the Transferee under this Scheme is formally accepted by the parties concerned.

20.2. All approvals, permits, sanctions, statutory and other registers of any authorities as well as any record maintained by any statutory or other authority shall upon request of the Transferee be modified by the relevant authorities to record the impact on such registers and records by virtue of this Scheme.

20.3. Any error, mistake, omission, commission, which is apparent and/or absurd in the Scheme should be read in a manner which is appropriate to the intent and purpose of the Scheme and in line with the rationales as mentioned herein above.

Certified True Copy.
Copy Issued "free of cost"
On 11/09/2017


Deputy Director
National Company Law Tribunal, Mumbai Bench



BEFORE THE NATIONAL COMPANY
LAW TRIBUNAL MUMBAI BENCH,
MUMBAI
COMPANY PETITION NO. 324 OF 2017
[In the matter of Sections 230 to 232 of the
Companies Act, 2013]

CHALET HOTELS PRIVATE
LIMITED ...PETITIONER/ TRANSFEREE



Certified Copy of Order dated August 2, 2017
along with Scheme

Wadia Ghandy & Co.,
Advocates for the Petitioner/ Transferee
2nd Floor, N.M. Wadia Bldg.,
123, M.G. Road, Fort,
Mumbai 400 001
HCSSP/10029/Madhupreetha/NDK

¹
FREE OF COST COPY

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH

C.P (CAA) No. 43/BB/2017

U/S 230 to 232 of the Companies Act, 2013

Order Delivered on: 14th March, 2018

IN THE MATTER OF SCHEME OF AMALGAMATION
BETWEEN
MAGNA WAREHOUSING AND DISTRIBUTION PRIVATE LIMITED
AND
CHALET HOTELS PRIVATE LIMITED

Coram: 1. Hon'ble Shri RatakondaMurali, Member (Judicial)
2. Hon'ble Shri Ashok Kumar Mishra, Member (Technical)

Magna Warehousing and Distribution Private Limited
No. 75, EPIP Area,
Next to Satya Sai Hospital,
Whitefield,
Bangalore -560 066

- Petitioner/Transferor Company

Chalet Hotels Private Limited
Plot No. C-30, opp. SIDBI,
BandraKurla Complex,
Bandra (East)
Mumbai-400052

- Transferee Company

Parties Present : 1) Mr. RaghuramCadambi
Advocate for the Petitioner Companies
2) Mrs. Sinchana M.R, Advocate
Representative for the Registrar of Companies & Regional Director
Per: Hon'ble Shri Ashok Kumar Mishra, Member (Technical) -- Author



Heard on: 24.08.2017, 09.10.2017, 24.10.2017, 30.11.2017, 19.12.2017, 15.01.2018,
05.02.2018, 26.02.2018.

ORDER

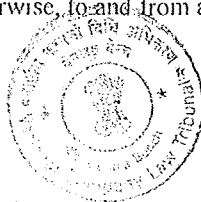
The Company Petition was filed on behalf of the Petitioner Company under Section 230 and 232 of the Companies Act, 2013 praying to order for sanctioning the Scheme of Amalgamation whereby **MAGNA WAREHOUSING AND DISTRIBUTION PRIVATE LIMITED** (Petitioner / Transferor Company) being merged with **CHALET HOTELS PRIVATE LIMITED** (Transferee Company) so has to be binding on all the Shareholders and the secured and unsecured creditors, employees and all other relevant parties of the Petitioner/ Transferor Company.

The averments made in the Company Petitions are briefly described hereunder:-

The Petitioner Company seek an order for sanctioning the Scheme of Amalgamation of **MAGNA WAREHOUSING AND DISTRIBUTION PRIVATE LIMITED** (Petitioner / Transferor Company) with **CHALET HOTELS PRIVATE LIMITED** (Transferee Company). The Scheme of Amalgamation is shown as Annexure A.

The Petitioner / Transferor Company was incorporated on 16th September, 2005 under the name and style as 'Magna Warehousing and Distribution Private Limited' having its Registered office at No. 75, EPIP Area, Next to Satya Sai Hospital, Whitefield, Bengaluru-560066 and obtained Certificate of Incorporation vide bearing CIN No. U60232MH2005PTC156131.

The Petitioner/Transferor Company's Objects as set out in its Memorandum of Association is "To carry on the business of warehousing, logistic, supply chain, packers, distribution, clearing and forwarding agents, customs house agents, cargo movers, cargo agents, freight brokers, freight contractors, carrier of goods, multi model transport operators, freight forwarding transporters, containerization, and couriers by any conveyance or conveyances in respect of any assets, goods, containers, luggage freight, documents and parcels, whether commercial or otherwise, to and from any part of the world".



The Copy of the Memorandum & Articles of Association of the Transferor Company is shown in Annexure E.

Authorised share capital of the Petitioner /Transferor Company as stated in the petition is Rs. 24,10,00,000/- divided in to 1,00,000 equity share of Rs. 10/- each and 2,400/- Non-Cumulative redeemable preference share of Rs. 1,00,000/- each and issued subscribed and paid up share capital of Rs. 8,06,17,450/- divided in to 61,745 equity shares of Rs.10/- each fully paidup and 800 Non-cumulative preference shares of Rs. 1,00,000/- each fully paid up.

The Copy of Audited Financials of the Petitioner/ transferor company as on 31st March, 2016 and is shown in Annexure F.

The Transferee Company was incorporated on 06th January, 1986 as a Private Limited Company under the name and style as Kenwood Hotels Private Limited and by an endorsement dated 19th July, 1997 the name was changed as a Kenwood Hotels Limited. Thereafter, by a resolution dated 2nd March, 1998 the transferee company name was changed as a K. Raheja Resorts & Hotels Limited. Subsequently by a resolution dated 24th April, 1999 the transferee company name was changed as Chalet Hotels Limited. Thereafter, by a special resolution dated 25th August, 2011 the name of the company was changed to Chalet Hotels Private Limited and such alternation in name was approved by the Central Government on 15th October, 2011 vide CIN No. U55101MH1986PTC038538. The Registered office of the Transferee Company is situated at Raheja Tower, Plot No., C-30, Block G, Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai-40051.

The Transferee Company's Objects as set out in its Memorandum of Association inter alia, as follows:

- i. To own, construct, run, furnish of, take over, manage, carry on the business of hotels, holiday-resorts, restaurant, café, tavern bars, refreshment-rooms, boarding and lodging, house keepers, clubs, in India or in any other part of the world.
- ii. To provide lodging and boarding, restaurants, eating houses, bar swimming pool and other facilities to public including tourists, visitors and other



delegates coming to India from foreign countries and to members of delegations and missions from foreign countries.

- iii. To carry on business of buildings, erecting and constructing structures, buildings, houses or sheds including RCC works and other fixtures on lands and or building and to convert squares metal or otherwise repair roads and carry on business of builders, constructors, contractors and road repairers and all kinds of dams, bunds, canals, bridges and irrigation works including construction of power house or power stations.

The Copy of Certificate of Incorporation, Memorandum & Articles of Association of the Transferee Company is shown in Annexure K.

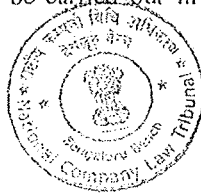
Authorised share capital of the Transferee Company as stated in the petition is Rs, 1,52,50,00,000/- divided in to 15,25,00,000 equity share of Rs, 10/- each and issued subscribed and paid up share capital of Rs. 1,52,14,22,530/- divided in to 15,21,42,253 equity shares of Rs.10/- each.

The Copy of Audited Financials of the 2nd Petitioner/Transferee company as on 31st March, 2016 and as shown in Annexure L.

The Board of Directors of the Petitioner/Transferor Company and Petitioner/Transferee Company have approved and adopted the Scheme of Amalgamation at its respective meeting held on 05th January, 2017. The copies of Board Resolutions are shown in ANNEXURE – R & S.

That the Petitioner/Transferor & Transferee Companies had filed Company Application No.(CAA) 11/BB/2017 before this Tribunal for dispensation of the meetings of Equity shareholders, Preference Shareholders, Secured and Unsecured Creditors of the Petitioner Company. The Copy of the Order of this Tribunal in (CAA) No.11/BB/2017 is shown as Annexure- P.

This Tribunal vide order dated 24th August, 2017 directed the Petitioner Companies to issue Notice to Regional Director, Ministry of Corporate Affairs, South-East Region, Register of Companies, Income Tax Authorities and Official Liquidator, and also to have an advertisement of Notice of Petition be carried out in the 'The Hindu', an English daily



Newspaper and 'Udaya Vani' a Kannada daily Newspaper and stating the next date of hearing was on 09th October, 2017.

In pursuant to the same the Counsel for the Petitioner Companies has filed an affidavit dated 09th October, 2017 of the authorized signatory of the Petitioner Company for having taken paper publication as directed and also has furnished the copy of the paper publication for having taken Advertisement in 'The Hindu', an English daily Newspaper and 'Udaya Vani' a Kannada daily Newspaper.

The Registrar of Companies, Karnataka, Bangalore vide letter no's. ROCB/Legal/CAA-3/2017 dated 23.10.2017 wherein he has not made any observation and has stated that the Petition may be decided on merits.

The Regional Director, Ministry of Corporate Affairs, South-East Region has filed affidavit dated 20th October, 2017 wherein he has stated that the Tribunal may to dispose off the petition on merits.

On the prayer made by the Official Liquidator in OLR no. 150/17 in CP (CAA) 43/BB/2017, vide order dated 24.10.2017 M/s. P. Chandrasekar LLP, Chartered Accountants was appointed by this Tribunal to Scrutinise the Books of Accounts and records of Petitioner/Transferor Company. Upon Scrutiny of Books, records and other material made available by the Transferor Company to M/s. P. Chandrasekar LLP, Chartered Accountants submitted the report.

Pursuant to the same, the Official Liquidator has filed a Report dated 15.02.2018 in OLR.No.24/18 stating that M/s.P. Chandrasekar LLP, Chartered Accountants has submitted Report dated 28.11.2017 which is marked as Annexure A, wherein the Chartered Accountant has concluded in his report that:

- i.) "We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of scrutiny of books and papers of Transferor Company.
- ii.) In our opinion proper books of accounts, papers, statutory registers, minutes and other related records as required by law have been kept by



the Transferor Company so far as appears from our examinations of those books and records”.

- iii.) On scrutiny of books of accounts, papers, statutory registers and other related records of the company we are of the opinion that the affairs of the company have not been conducted in a manner prejudicial to the interest of the members of the Company or public interest.

The Counsel for the Petitioner/Transferor Company has filed copy of Accounting Treatment Certificate dated 20.01.2017 of the Auditor stating that “Based on our examination and according to the information and explanations given to us we are of the opinion that the accounting treatment contained in Paragraph 13 of the aforesaid Draft Scheme is in compliance with the applicable Accounting Standard notified under section 133 of the Companies Act, 2013 r/w rule made there under, and other generally Accepted Accounting Principles as applicable. The Auditors Certificate on Accounting Treatment is submitted by way of Compliance memo dated 16.08.2017.

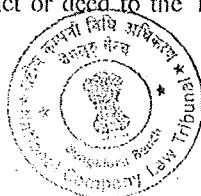
After hearing the Counsel for the Petitioner Companies and considering the materials on record the Scheme appears to be fair, reasonable and is not detrimental against the Members or Creditors or contrary to public policy and the same can be approved,

THIS TRIBUNAL DO FURTHER ORDER

While Approving the Scheme, we make clear that this order should not be construed as an order in any way granting exemption from payment of Stamp Duty, taxes or any other charges, if any, and payment in accordance with law or in respect to any permission/compliance with any other requirement which may be specially required under any law.

The Whole of the property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to section 232 of the Companies Act, 2013, be transferred to and vest in the transferee company for all the state and interest of the Petitioner/Transferor Company therein but subject nevertheless to all the charges now affecting the same; and

All the liabilities including taxes and charges, if any, and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the



**Certified True Copy
For Chalet Hotels Limited**

**Christabelle Baptista
Company Secretary
ACS No. 17817**

same shall pursuant to section 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company; and

The tax implications, if any, arising out of the scheme is subject to final decision of Concerned Tax Authorities and the decision of the Concerned Tax Authorities shall be binding.

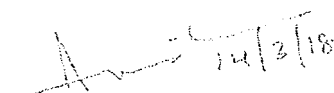
All the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company, if any; and


The Petitioner Companies shall within thirty days of the date of the receipt of this order cause a certified copy of this order along with a copy of scheme of Amalgamation to be delivered to the Registrar of Companies for registration in accordance with Rule 25 (7) of Companies (Compromises, Arrangements & Amalgamations) Rules, 2016.

The Scheme shall be effective from the appointed date as mentioned in the Scheme of Amalgamation i.e. 1st November, 2016.

The Transferor Company or its Authorised Signatories are directed that after the completion of the process of Amalgamation to handover the possession of the Books of Accounts and other relevant documents of the Transferor Company to the Transferee Company for the purpose of section 239 of the Companies Act, 2013.

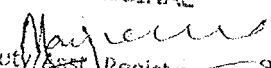
Any person shall be at the liberty to apply to the Tribunal in the above matter for any directions that may be necessary.


(ASHOK KUMAR MISHRA)
MEMBER, TECHNICAL


(RATAKONDA MURALI)
MEMBER, JUDICIAL



CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL


Deputy Registrar
National Company Law Tribunal
Bengaluru Bench



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT ROOM-II
COMPANY SCHEME PETITION NO. 143 OF 2021
IN
COMPANY SCHEME APPLICATION NO. 1117 OF 2020**

In the matter of the Companies Act, 2013

And

In the matter of Sections 230-232 of the
Companies Act, 2013

And

In the matter of Scheme of Amalgamation

Between

Belaire Hotels Private Limited

(Transferor No. 1)

And

Seapearl Hotels Private Limited

(Transferor No. 2)

And

Chalet Hotels Limited

(Transferee)

Their Respective Shareholders

Belaire Hotels Private Limited	Petitioner Company 1/
[CIN: U55101MH2007PTC170789]	Transferor No. 1
Seapearl Hotels Private Limited	Petitioner Company 2/
[CIN: U55204MH2007PTC168713]	Transferor No. 2





Chalet Hotels Limited
[CIN: L55101MH1986PLC038538] Petitioner Company 3/
Transferee Company

Order delivered on: 19.05.2023

Coram:

Shyam Babu Gautam	Kuldip Kumar Kareer
Hon'ble Member (Technical)	Hon'ble Member (Judicial)

Appearances (through video conferencing):

For the Petitioners: Mr. Sameer Pandit along and Ms. Sarrah Khambati i/b.
M/s. Wadia Ghandy & Co., Advocates

For the Regional Director: Ms. Rupa Sutar, Authorised Representative of
Regional Director, MCA(WR), Mumbai

ORDER

Per: Shyam Babu Gautam, Member Technical

1. The Bench is convened by video conferencing.
2. We have heard the Learned Counsel appearing for the Petitioners and the Authorised Representative of the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai ("Regional Director"). No objector has come before this Tribunal to oppose the Scheme, nor has any party controverted any averments made in the Petition to the Scheme.





3. The sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 for sanctioning the Scheme of Amalgamation between Belaire Hotels Private Limited (**"Transferor No. 1 Company"**), Seapearl Hotels Private Limited (**"Transferor No. 2 Company"**), and Chalet Hotels Limited (**"Transferee Company"**), and their respective shareholders under the provisions of section 230 to 232 of the Companies Act, 2013.
4. The Learned Counsel for the Petitioners state that resolutions approving the Scheme were passed by the Board of Directors of the Transferor Companies and the Transferee Company at their meetings held on September 3, 2020 and August 11, 2020 respectively.
5. The Counsel for the Petitioners state that the Transferor Companies are *inter alia* authorized to carry on in India and abroad the business of developing, owning, acquiring, managing, operating, renovating, refurbishing and promoting hotels, service apartments, restaurants, eating places, conference and convention centres and other hospitality related facilities and activities either by itself or jointly with any third party whether as a shareholder, unit holder, joint venture partner. The Transferor Companies are wholly owned subsidiaries of the Transferee Company.
6. The Counsel for the Petitioners state that the Transferee Company is *inter alia* authorized to carry on the business of hotels, holiday resorts, restaurant, café, tavern bars, refreshment rooms, boarding,

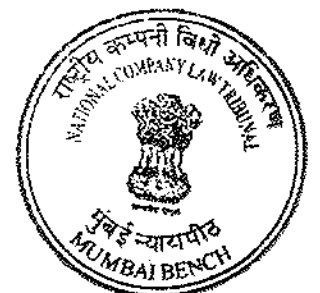




lodging, housekeepers, clubs, in India or in any other part of the world.

7. The Counsel for the Petitioners further submit that the restructuring, consolidation and streamlining pursuant to this Scheme shall achieve the following benefits:

- i. Consolidation of the business of the Transferor Companies and the Transferee Company, leading to synergy in operations, greater financial strength, and improve the position of the merged entity post the completion of the Scheme;
- ii. Assisting in achieving higher long term financial returns and making available the assets, employees, financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the Transferor Companies and the Transferee Company leading to synergistic benefits, enhancement of future business potential, cost reduction and efficiencies, productivity gains and logistical advantages, including operational rationalization, organizational efficiency and optimal utilization of resources, which will be in the interest of shareholders, employees, if any, creditors and other stakeholders, thereby contributing to significant future growth and enhancement of shareholder value post the completion of the Scheme;





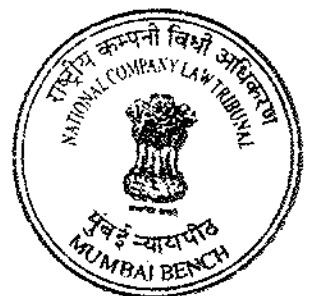
- iii. Rationalization and standardization of the business processes, economies of scale, corporate and administrative efficiencies, and streamlining of operations to enable more efficient management, control and day to day operations to reduce overheads, administrative and other expenditure, which will contribute to make the Transferee Company more profitable, thereby further enhancing the overall shareholder value post completion of the Scheme;
 - iv. Enabling unified accounting, compliances and auditing resulting in reduction of costs, post the completion of the Scheme; and
 - v. Pooling in administrative synergies of the Transferor Companies with the Transferee Company, post the completion of the Scheme.
8. The Learned Counsel for the Petitioner Companies submits that the Company Scheme Petition is filed in consonance with sections 230 to 232 of the Companies Act, 2013 along with the order dated February 5, 2021 passed in Company Scheme Application No. 1117 of 2020 by this Hon'ble Tribunal.
9. The Learned Counsel for the Petitioner submits that pursuant to the directions contained in the order dated February 5, 2021, the meeting of the Equity Shareholders of the Transferor Companies was dispensed with in view of the fact that, the respective Equity Shareholders of the Transferor Companies had given their consent





to the Scheme and for dispensing with the convening and holding of the meeting of the Equity Shareholders by way of consent affidavits which were produced before this Hon'ble Tribunal.

10. The Learned Counsel for the Petitioners further submits that pursuant to the directions contained in the order dated February 5, 2021, the meeting of the Equity Shareholders of the Transferee Company was held on April 12, 2021 at 11:00 am through Video Conferencing and the meeting of the Preference Shareholders of the Transferee Company was held in person on April 12, 2021 at 12:00 p.m., for the purpose of considering and if thought fit, approving the Scheme with or without modification. The Chairperson appointed for the said meetings has filed its Chairperson's Report showing the conduct and results of the said meetings as directed by the order dated February 5, 2021 passed by this Hon'ble Tribunal.
11. The Learned Counsel for the Petitioners submit that the Petitioners have complied with all the requirements as per the directions of this Hon'ble Tribunal in order dated August 3, 2022 in the captioned Company Scheme Petition and have filed the necessary affidavits of compliance with this Hon'ble Tribunal. Moreover, the Petitioners through their Advocates undertake to comply with all statutory requirements, if any, as required under Companies Act, 2013 and the Rules made thereunder as applicable. The said undertaking is accepted.





12. **Consideration:-**

The Learned Counsel for the Petitioners submit that the entire issued, subscribed and paid up share capital of the Transferor Companies is held by the Transferee Company and its nominees. Accordingly, pursuant to the Scheme, no shares of the Transferee Company shall be allotted in respect of its holding in the Transferor Companies. Upon the Scheme coming into operation, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Companies and the paid up share capital of the Transferor Companies shall stand cancelled and extinguished. The investment in the shares of the Transferor Companies appearing in the books of the Transferee Company, shall without any further act or deed, stand cancelled.

13. The Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai has filed its Report dated September 9, 2021 *inter alia* stating therein that save and except as stated in paragraph IV of the said report, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In response to the observations made by the Regional Director, the Petitioner Companies have filed an Affidavit dated September 21, 2022. The observations made by the Regional Director and the clarifications and undertakings given by the Petitioner Companies are summarised as under:-

Sr. No.	Regional Director's Observations	Reply by Petitioners
IV(a)	In compliance of AS-14 (IND AS-103), the Petitioner	The Petitioner Companies undertake to pass such





Sr. No.	Regional Director's Observations	Reply by Petitioners
	Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.	accounting entries which are necessary in connection with the Scheme to comply with other Accounting Standards such as AS – 5 (Ind AS – 8) and such other accounting standards as may be applicable. This affidavit may be treated as an undertaking on behalf of the Petitioner Companies in terms of paragraph IV(a) of the Report.
IV(b)	The Petitioners under provisions of section 230 (5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Compromise or arrangement. Further, the approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The	The Petitioner Companies have duly served notices to the concerned authorities and the same has been recorded in the Affidavit of Service dated April 5, 2021 which is already on record before this Hon'ble Tribunal. As regards the powers of the authorities in respect of matters arising after giving effect to the Scheme, the same will have to be exercised in and will apply to the





Sr. No.	Regional Director's Observations	Reply by Petitioners
	decision of such Authorities is binding on the Petitioner Company(s).	Transferee Company in accordance with applicable law.
IV(c)	The Hon'ble NCLT may kindly direct to the Petitioners to file an undertaking to the extent that the Scheme enclosed to the Company Application and the scheme enclosed to the Company Petition are one & same and there is no discrepancy or deviation.	The Petitioner Companies undertake that the Scheme annexed to the Company Application and the Scheme annexed to the Company Petition are one and the same and there is no discrepancy or deviation.
IV(d)	As per Definition of the Scheme, <i>"Appointed Date" means April 1, 2020 or such other date as may be fixed or approved by the National Company Law Tribunal, or such other competent authority."</i>	As per Section 232 (6) of the Companies Act, 2013, the Scheme contains the definition of the appointed date and the Scheme shall be deemed to be effective from such date. Accordingly, there is no requirement for the definition of "Effective Date". Moreover, the Scheme is in compliance with circular no. F. No. 7/12/2019/CL-1 dated August





Sr. No.	Regional Director's Observations	Reply by Petitioners
	<p>Definition of "The Effective Date" is not defined in the scheme, hence Petitioner shall undertake to define the same.</p> <p>Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. P. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>	<p>21, 2019. As such, the Scheme is in compliance with the provisions of Section 232 (6) of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013</p>
IV(e)	<p>Petitioner Company have to undertake to comply with section 232(3) i) of Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore,</p>	<p>The Petitioner Companies agree that where the Transferor Companies are dissolved, the fee, if any, paid by the Transferor Companies on their respective authorised capital shall be set-off against any fees payable by the Transferee Company on its authorised capital subsequent to the amalgamation in compliance with the Section 232(3)(i) of the Companies Act, 2013.</p>





Sr. No.	Regional Director's Observations	Reply by Petitioners
	petitioners to affirm that they comply the provisions of the section.	
IV(f)	<p>As per Clause 8 of the Scheme, surplus or deficit, if any, arising as a result of amalgamation of the Transferor Companies into and with the Transferee Company, in terms of this Scheme, after adjustment of the amount of investment of the Transferee Company in the Transferor Companies due to cancellation of the share capital of the Transferor Company, shall be adjusted to reserves in the books of the Transferee Company;</p> <p>Petitioner Companies have to undertake that the surplus shall be credited to Capital Reserve Account arising out of amalgamation and deficits</p>	<p>The Petitioner Companies agree that any surplus arising as a result of the sanction of the Scheme, after adjustment of the amount of investment of the Transferee Company in the Transferor Companies due to cancellation of the share capital of the Transferor Companies, shall be adjusted and credited to the Capital Reserve Account of the Transferee Company. As regards any deficit arising as result of the sanction of the Scheme, The Petitioner Companies agree that after adjustment of the amount of investment of the Transferee Company in the Transferor Companies due to cancellation of the share capital of the</p>





Sr. No.	Regional Director's Observations	Reply by Petitioners
	<p>shall be debited to Goodwill Account.</p> <p>Further Petitioner Companies have to undertake that reserves shall not be available for distribution of dividend.</p>	<p>adjusted and debited to the Goodwill Account of the Transferee Company. The Petitioner Companies agree that the aforesaid reserves of the Transferee Company will not be available for distribution of dividend.</p>
IV(g)	<p>ROC, Mumbai Report dated 02.07.2021 has inter alia mentioned that there are no prosecution, no technical scrutiny, no inquiry, no inspection, and no complaints pending against Petitioner Companies.</p> <p>Further mentioned that:-</p> <p>1. As per MCA Portal, Transferor Company No. 1 is having charge of immovable property or any interest therein; book debts; movable property</p>	<p>Under the Scheme, no compromise is offered to any of the creditors of the Transferor Companies and no liability of such creditors shall be reduced or extinguished. Upon sanction of the Scheme the creditors of the Transferor Companies will become the creditors of the Transferee Companies and the same will be paid off in due course. Thus, the rights and interests of the creditors of the Transferor Companies shall not be affected.</p>





Sr. No.	Regional Director's Observations	Reply by Petitioners
	(not being pledge) of Rs. 2,08,60,00,000/- 27. 01.2012 with status "Open"	
	2. Interest of the Creditors should be protected	

14. The observations made by the Regional Director have been explained by the Petitioners Companies in paragraph 13 above. The Affidavit dated September 21, 2022 filed by the Petitioner Companies, the clarifications and undertakings given by the Petitioner Companies are accepted by this Tribunal, and the Petitioner Companies are directed to comply with the same. Moreover, the Petitioner Companies undertake to comply with all the statutory requirements, if any, as may be required under the Companies Act, 2013 and the Rules made thereunder. The Authorised Representative of the Regional Director, MCA (WR), Mumbai Ms. Rupa Sutar who is present at the time of the hearing has submitted that the explanation and clarifications given by the Petitioner Companies are found satisfactory she stated that they have no objections for approving the scheme by the Tribunal.
15. The Official Liquidator has filed his Reports dated August 25, 2021 *inter alia*, stating therein that the affairs of the Transferor Companies have been conducted in a proper manner.





16. The Learned Counsel for the Petitioners submit that the Petitioner Companies undertake to comply with the provisions of Income Tax Act and Rules thereunder, as applicable.
17. Further heard Ms. Rupa Sutar, Authorised Representative of Regional Director, MCA (WR), Mumbai, who is present and reported no objections to allowing the above Company Scheme Petition.
18. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy considering that no objection has so far been received from any authority or creditors or members or any other stakeholders.
19. Since all the requisite statutory compliances have been fulfilled, the captioned Company Scheme Petition is made absolute in terms of prayer clause (A). The Transferor Companies are ordered to be dissolved without winding up.
20. The Scheme is hereby sanctioned with the Appointed Date of April 1, 2020.
21. The Petitioners are directed to lodge a copy of this Order and Scheme duly certified by the Deputy Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable on





the same, if any, within 60 (sixty) clear working days from the date of receipt of the certified copy of the Order.

22. The Petitioners are further directed to file a certified copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies electronically along with E-Form INC 28 within 30 days from the date of receipt of this Order.
23. All concerned regulatory authorities to act on a copy of this Order along with the Scheme duly authenticated by the Deputy Registrar, National Company Law Tribunal, Mumbai Bench.
24. Any person interested is at liberty to apply to this Tribunal in the above matters for any directions that may be necessary.
25. Any concerned Authority shall be at liberty to approach this Tribunal for any further clarification as may be necessary.
26. Ordered accordingly. C.P. (CAA)/143/MB/2021 is allowed and disposed of.

Sd/-

SHYAM BABU GAUTAM
MEMBER TECHNICAL

Sd/-

KULDIP KUMAR KAREER
MEMBER JUDICIAL

Certified True Copy _____

Date of Application 23/5/2023

Number of Pages 15

Fee Paid Rs. 75/-

Applicant called for collection copy on 26/5/2023 Page 15 of 15

Copy prepared on 26/5/2023

Copy Issued on 26/5/2023


Deputy Registrar

National Company Law Tribunal, Mumbai Bench



Exhibit "R"

SCHEME OF ARRANGEMENT AND AMALGAMATION
(UNDER SECTION 230-232 OF THE COMPANIES ACT, 2013 READ WITH OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES
FRAMED THEREUNDER)

AMONGST

CHALET HOTELS LIMITED

AND

BELAIRE HOTELS PRIVATE LIMITED

AND

SEAPEARL HOTELS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

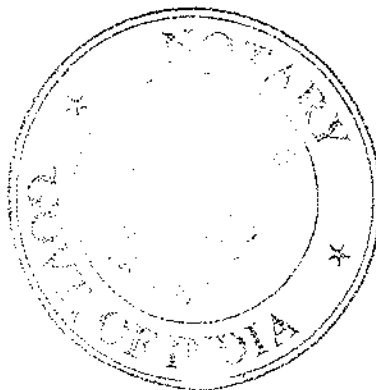


Exhibit "R"

SCHEME OF ARRANGEMENT AND AMALGAMATION
(UNDER SECTION 230-232 OF THE COMPANIES ACT, 2013 READ WITH OTHER
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AMONGST

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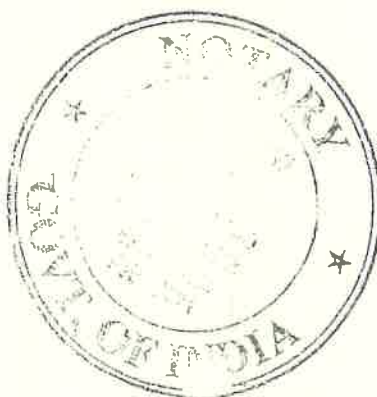
AND

SEAPEARL HOTELS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

2024



I. PREAMBLE

A. Description of Companies

1. Chalet Hotels Limited (hereinafter referred as “**Chalet**” or the “**Transferee Company**”), was incorporated on January 6, 1986 under the Companies Act, 1956 as Kenwood Hotels Private Limited in the State of Maharashtra. Pursuant to application being made for change of name, the name of the Transferee Company was initially changed to K. Raheja Resorts & Hotels Limited on April 6, 1998 and thereafter to Chalet Hotels Limited on May 4, 1999. Thereafter, upon an application for conversion into a private company, the Transferee Company name was changed to Chalet Hotels Private Limited on October 15, 2011. Subsequently, upon an application for conversion into a public company, the Transferee Company name was changed to Chalet Hotels Limited on June 6, 2018. The Corporate Identity Number of Chalet is L55101MH1986PLCC38538. The registered office of Chalet is at Raheja Tower, 4th Floor, Block – G, Plot No. C-30, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Chalet is authorized to *inter alia* carry on the business of hotel, holiday resorts, restaurant, café, tavern bars, refreshment rooms, boarding, lodging, housekeepers, clubs, in India or in any other part of the world.
2. Belaire Hotels Private Limited (hereinafter referred as “**Belaire**” or the “**Transferor No. 1 Company**”), is a private limited company, incorporated on May 14, 2007 under the Companies Act, 1956 in the State of Maharashtra. The Corporate Identity Number of Belaire is U55101MH2007PTC170789. The registered office of Belaire was at B-1, 204, 2nd Floor, Boomerang, Chandivali Farm Road, Andheri (East), Mumbai 400 072. Subsequently, on October 28, 2015, the registered office was changed to Office No. 5 AB, 5th Floor, Rushabh Chambers, Marol Makwana Road, Andheri (East), 400 059. Thereafter, on October 1, 2018, the registered office was changed to Unit No. 405, B-Wing, 4th Floor, Everest Chambers, Marol Naka, Andheri Kurla Road, Andheri (East), Mumbai – 400 059. Presently, the registered office of Belaire is at Raheja Tower, 4th Floor, Block – G, Plot No. C-30, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Belaire is authorized to *inter alia* carry on in India and abroad the business of developing, owning, acquiring, managing, operating, renovating, refurbishing and promoting hotels, service apartments, restaurants, eating places, conference and convention centres and other hospitality related facilities and activities either by itself or jointly with any third party whether as a shareholder, unit holder, joint venture partner. Belaire is a wholly owned subsidiary of Chalet.
3. Seapearl Hotels Private Limited (hereinafter referred as “**Seapearl**” or the “**Transferor No. 2 Company**”), is a private limited company, incorporated on March 13, 2007 under the Companies Act, 1956 in the State of Maharashtra. The Corporate Identity Number of Seapearl is U55204MH2007PTC168713. The registered office of Seapearl was at B-1, 204, 2nd Floor, Boomerang, Chandivali Farm Road, Andheri (East), Mumbai 400 072. Subsequently, on October 28 2015, the registered office was changed to Office No. 5 AB, 5th Floor, Rushabh Chambers, Marol Makwana Road, Andheri (East), 400 059. Thereafter, on October 1, 2018, the registered office was changed to Unit No. 405, B-Wing, 4th Floor, Everest Chambers, Marol Naka, Andheri Kurla Road, Andheri (East),



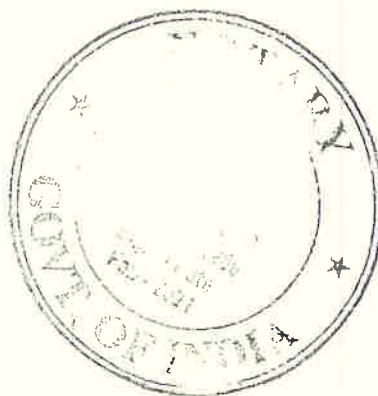
Mumbai – 400 059. Presently, the registered office of Seapearl is at Raheja Tower, 4th Floor, Block – G, Plot No. C-30, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Seapearl is authorized to *inter alia* carry on in India and abroad the business of developing, owning, acquiring, managing, operating, renovating, refurbishing and promoting hotels, service apartments, restaurants, eating places, conference and convention centres and other hospitality related facilities and activities either by itself or jointly with any third party whether as a shareholder, unit holder, joint venture partner. Seapearl is a wholly owned subsidiary of Chalet.

“Belaire” and “Seapearl” are hereinafter collectively referred to as the “Transferor Companies”.

“Transferor Companies” and “Transferee Company” are hereinafter collectively referred to as the “Parties”.

B. Rationale for the Composite Scheme of Arrangement and Amalgamation

1. The Transferor Companies are wholly owned subsidiaries of the Transferee Company, engaged in the same field of business. The restructuring, consolidation and streamlining pursuant to this Scheme shall achieve the following benefits:
 - (i) Consolidation of the business of the Transferor Companies and the Transferee Company, leading to synergy in operations, greater financial strength, and improve the position of the merged entity post the completion of the Scheme;
 - (ii) Assisting in achieving higher long term financial returns and making available the assets, employees, financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the Transferor Companies and the Transferee Company leading to synergistic benefits, enhancement of future business potential, cost reduction and efficiencies, productivity gains and logistical advantages, including operational rationalization, organizational efficiency and optimal utilization of resources, which will be in the interest of shareholders, employees, if any, creditors and other stakeholders, thereby contributing to significant future growth and enhancement of shareholder value post the completion of the Scheme;
 - (iii) Rationalization and standardization of the business processes, economies of scale, corporate and administrative efficiencies, and streamlining of operations to enable more efficient management, control and day to day operations to reduce overheads, administrative and other expenditure, which will contribute to make the Transferee Company more profitable, thereby further enhancing the overall shareholder value post completion of the Scheme;
 - (iv) Enabling unified accounting, compliances and auditing resulting in reduction of costs, post the completion of the Scheme;



- (v) Pooling in administrative synergies of the Transferor Companies with the Transferee Company, post the completion of the Scheme;
2. Accordingly, in order to achieve the above objectives, the Board of Directors of the Parties have resolved to make requisite applications and/or petitions before the Hon'ble National Company Law Tribunal (as defined hereinafter) under Sections 230 to 232 of the Companies Act, 2013, the rules framed thereunder and other applicable provisions of law for the sanction of this Scheme.
3. Pursuant to the Scheme, in accordance with Section 2(1B) of the Income-tax Act, 1961, the Transferor Companies shall amalgamate with the Transferee Company. This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under Section 2(1B) of the Income-Tax Act, 1961. If any terms or provisions of the Scheme are inconsistent with the provisions of Section 2(1B) of the Income-Tax Act, 1961, the provisions of Section 2(1B) of the Income-Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-Tax Act, 1961, such that the modification to not affect other parts of the Scheme.

II. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (i) Part A deals with the definitions and share capital of the relevant companies, being the Transferor Companies and Transferee Company;
- (ii) Part B deals with the amalgamation of the Transferor Companies into Chale/ Transferee Company;
- (iii) Part C deals with general terms and conditions that would be applicable to the Scheme.

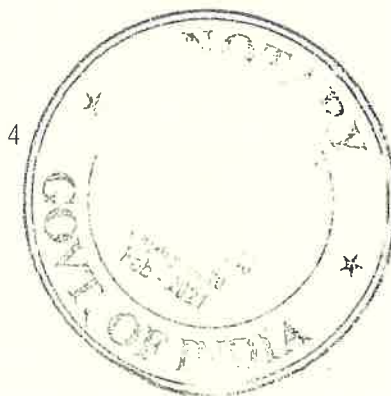
The Scheme also provides for matters consequential, incidental or otherwise integrally connected herewith.

PART A: DEFINITION AND SHARE CAPITAL OF THE COMPANIES

1. DEFINITIONS

"Applicable Law" means all applicable (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, directives, rules, regulations, bye-laws, notifications, guidelines or policies of any applicable jurisdiction; and (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals required from governmental authorities of, or agreements with any governmental authority;

"Appointed Date" means April 1, 2020 or such other date as may be fixed or approved by the National Company Law Tribunal, or such other competent authority;



“Belaire FCCDs” means the 8,45,034 unsecured zero coupon, fully compulsorily convertible debentures of face value of Rs. 100/- each, issued by Belaire, and held by Chalet.

“Belaire ICD” means the zero coupon, Inter Corporate Deposit availed by Belaire from Chalet, payable on demand.

“Board of Directors” or “Board” means and includes the respective Boards of Directors of the Transferor Companies and the Transferee Company, as the context may require, and shall include a committee duly constituted and authorized thereby for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;

“Book Value” means the value of the assets and liabilities of the Transferor Companies as appearing in books of accounts of the Transferor Companies, at the close of business hours on the day immediately preceding the Appointed Date.

“Companies Act” or “Act” means the Companies Act, 2013 the rules and regulations framed thereunder including any statutory modifications, amendments or re-enactments thereof from time to time;

“Encumbrance or Encumbrances” shall have the meaning as ascribed in Clause 5;

“Funds” has the same meaning as ascribed in Clause 12.2;

“Governmental Authority” means any governmental authority including, without limitation, the RoC, Ministry of Corporate Affairs, Regional Director, Official Liquidator or any other relevant authority approving the Scheme, as the case may be;

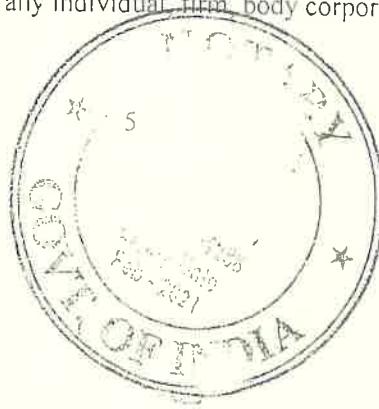
“National Company Law Tribunal” or “NCLT” means the National Company Law Tribunal, Mumbai as the context may require, including their respective benches;

“Parties” has the same meaning as ascribed in the Preamble;

“Registrar of Companies” or “RoC” means the Registrar of Companies, Mumbai;

“Scheme” or “the Scheme” or “this Scheme” or “the Composite Scheme” means this Scheme of Arrangement and Amalgamation in its present form along with any modification(s) and/or amendment(s) made under Clause 18 of the Scheme as approved or directed by the NCLT/Governmental Authority, as the case may be, as applicable;

- 1.1 Headings shall not affect the interpretation or construction of this Scheme;
- 1.2 Words using the singular terms shall also include the plural terms and vice versa;
- 1.3 Reference to the word “include” and “including” shall be construed without limitation;
- 1.4 References to a person includes any individual firm, body corporate, Governmental Authority,



joint venture, association or partnership.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT

The Scheme as set out herein in its present form along with any modification(s) and/or amendments(s) made under Clause 18 of the Scheme, approved or imposed or directed by the NCLT/Governmental Authority as the case may be, shall be effective from the Appointed Date and become operative from the last of the dates on which all the conditions set out in Clause 19.1 of the Scheme are satisfied.

3. SHARE CAPITAL OF THE PARTIES

3.1 The share capital of Parties as on July 31, 2020 is as set out below:

(i) Share capital of Chalet is as under:

Particulars	Amount in Rs.
<u>Authorised share capital</u>	
22,91,00,000 equity shares of Rs. 10/- each.	229,10,00,000/-
20,00,00,000 % non-cumulative non- convertible redeemable preference shares of Rs. 1,00,000/- each.	200,00,00,000/-
1600, 0.001% non-convertible redeemable preference shares of Rs. 1,00,000/- each.	16,00,00,000/-
	445,10,00,000/-
<u>Subscribed and fully paid-up share capital</u>	
20,50,23,864 equity shares of Rs. 10 each/-	205,02,38,640/-
1600, 0.001% non-cumulative redeemable preference shares of Rs. 1,00,000/- each.	16,00,00,000/-

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10,000, 0.00% non-cumulative, non-convertible redeemable preference shares of Rs. 1,00,000/- each, fully paid up (Series – A)	100,00,00,000/-
10,000, 0.00% non-cumulative, non-convertible redeemable preference shares of Rs. 1,00,000/- each, partly paid up, Rs. 25,000/- per share (Series – B)	25,00,00,000/-
	346,02,38,640/-

Subsequent to July 31, 2020 there is no change in the authorised, issued, subscribed and paid up share capital of Chalet. It is hereby clarified that between the Appointed Date and upon date of coming into operation of this Scheme, Chalet shall be entitled to issue further shares, make further calls on partly paid-up preference shares and make consequent changes to its authorised, issued, paid up and subscribed capital.

(ii) Share capital of Belaire is as under:

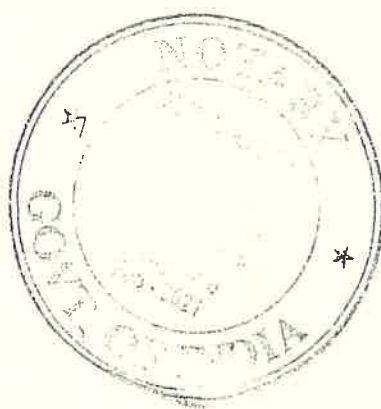
Particulars	Amount in Rs.
<u>Authorised share capital</u>	
14,10,00,000 equity shares of Rs. 10/- each.	141,00,00,000/-
<u>Subscribed and fully paid-up share capital</u>	
14,07,04,838 equity shares of Rs. 10/- each.	140,70,48,380/-

The entire subscribed and paid up share capital of Belaire is held by Chalet and its nominees.

(iii) Share capital of Seaparl is as under:

Particulars	Amount in Rs.
<u>Authorised share capital</u>	
1,20,00,000 equity shares of Rs. 10 each.	12,00,00,000/-
<u>Subscribed and fully paid-up share capital</u>	
52,65,000 equity shares of Rs. 10/- each.	5,26,60,000/-

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The entire subscribed and paid up share capital of Seapearl is held by Chalet and its nominees.

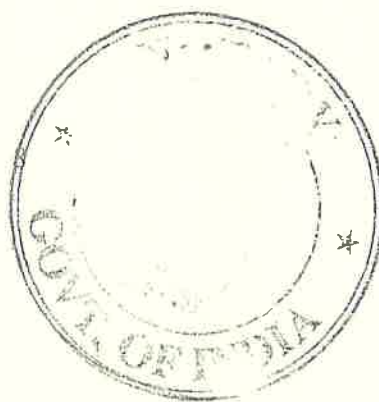
PART B: AMALGAMATION OF THE TRANSFEROR COMPANIES INTO THE TRANSFEREE

4. TRANSFER AND VESTING

Transfer of Assets

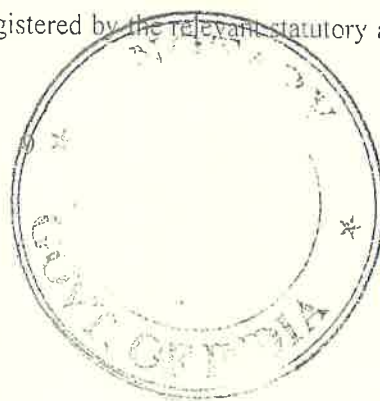
- 4.1 With effect from the Appointed Date and upon the date of coming into operation of this Scheme, the Transferor Companies without any further act, instrument or deed, be and stand amalgamated, merged and transferred to and vested in or be deemed to be amalgamated, merged and transferred to and vested in Chalet, as a going concern, so as to vest in Chalet, all the rights, titles and interests of the Transferor Companies pursuant to the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT sanctioning this Scheme.
- 4.2 In respect of such assets and properties of the Transferor Companies as are movable in nature which are capable of passing by manual delivery or by endorsement and delivery, including cash in hand, they shall on and from the Appointed Date be transferred to or stand vested in and recorded pursuant to this Scheme and/or be deemed to be transferred to or vested in Chalet without requiring any deed or instrument of conveyance for the same and shall become the property and an integral part of Chalet. The vesting pursuant to this clause shall be deemed to have occurred by manual delivery or endorsement, as may be appropriate to the property being transferred or vested and title to the property shall be deemed to have been transferred and vested accordingly.
- 4.3 In respect of movable assets of the Transferor Companies, other than those specified in Clause 4.2 above, including but not limited to sundry debtors, outstanding loans, recoverable in cash or in kind or value to be received, bank balances and deposits with government bodies, customers, the same shall on and from the Appointed Date stand transferred to and vested in Chalet or be deemed to be transferred to and vested in Chalet without any requirement to provide notice or other intimation to such party, debtors or depositors, as the case may be. Chalet may, although it is not obliged, give notice in such form as it may deem fit and proper to each party, debtors or depositors, as the case may be, that pursuant to the orders of the NCLT sanctioning the Scheme, the said debts, loans, advances, etc., on and from the Appointed Date, be paid or made good or held on account of Chalet as the person entitled thereto and the right of the Transferor Companies to recover or realize the same stands extinguished. Chalet may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the orders of the NCLT sanctioning the Scheme, on and from the Appointed Date, the said debtor or depositor should pay the said debt, loan, advance or make good the same or hold the same to its account and that the rights of Chalet to recover or realize the same are in substitution of the rights of the Transferor Companies.

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- 4.4 In respect of assets belonging to the Transferor Companies that require execution of separate documents to effect transfer, the relevant parties will execute the necessary documents, as and when required after the coming into operation of the Scheme. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that in so far as the immovable properties comprised in the Transferor Companies are concerned, including but not limited to all land, buildings and rights and entitlements appurtenant thereto, the parties shall register the true copy of the orders of the NCLT/Governmental Authority, as the case may be, as applicable sanctioning the Scheme, with the offices of the relevant Governmental Authority having jurisdiction over such immovable property and shall also execute and register, as required, such other documents which may be necessary in this regard. The Transferor Companies shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of the immovable property is given to the Transferee.
- 4.5 With effect from the Appointed Date and upon the Scheme coming into operation, all unavailed credits and exemptions including any input credits, margin money, retention money, deposit with statutory authorities, other deposits and benefit of carried forward losses (if any) and unabsorbed depreciation and other statutory benefits, including in respect of income tax (including minimum alternate tax (MAT) credit), Goods and Services Tax (GST), Cenvat, customs, VAT, sales tax, service tax etc. to which the Transferor Companies are entitled to, shall be available to and vest in Chalet without any further act or deed.
- 4.6 With effect from the Appointed Date and upon the Scheme coming into operation, all the licenses, permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, exemptions, allotments, no-objection certificates, entitlements, municipal approvals, grants, rights, claims, leases (if any), tenancy rights (if any), insurance claims and policies, powers of attorney, interests, all other rights (including, but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, environmental clearances), liberties, special status and other benefits, advantages or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vested in or be deemed to be transferred to and vested in and be available to Chalet so as to become as and from the Appointed Date, the licenses, permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, exemptions, allotments, no-objection certificates, entitlements, municipal approvals, grants, rights, claims, leases, (if any) tenancy rights (if any), insurance claims and policies, powers of attorney, interests, all other rights (including, but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, environmental clearances), liberties, special status and other benefits, advantages or privileges of the Transferor Companies and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately registered by the relevant statutory authorities in favour

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of Chalet pursuant to this Scheme, in order to facilitate the continuation of operations of the Transferor Companies in Chalet without any hindrance, on and from the Appointed Date. Any and all Export Promotion Capital Goods (EPCG) scheme obligations and entitlements of the Transferor Companies shall be combined and consolidated with the obligations and entitlements of the Transferee Company.

- 4.7 Without prejudice to anything as provided in Clause 4.2 and 4.3 above, all assets, properties and undertakings of the Transferor Companies on the Appointed Date, whether or not included in the books of the Transferor Companies, and all assets and properties which are acquired by the Transferor Companies on or after the Appointed Date but prior to the date of coming into operation of the Scheme, shall be deemed to be, and shall become, the assets and properties of Chalet, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in Chalet from the date of coming into operation of the Scheme pursuant to the provisions of Sections 230 to 232 of the Act.
- 4.8 Pursuant to this Scheme, all benefits, entitlements and incentives of any nature whatsoever (including sales tax concessions and incentives) of the Transferor Companies, to the extent statutorily available, shall be claimed by Chalet and without the imposition of any fees, charges, taxes or levy. Such benefits shall relate back to the Appointed Date as if Chalet was originally entitled to such benefits, subject to compliance by Chalet with all the terms entitled and conditions upon which such benefits were made available to the Transferor Companies. With respect to admissibility of claim under Section 43B of the Income-Tax Act, 1961 or such provisions becoming admissible in the period after the Appointed Date on discharging liabilities pertaining to the Transferor Companies, Chalet shall be entitled to such claims in the same manner and to the same extent as the Transferor Companies would have been entitled to deduction but for the amalgamation.
- 4.9 Upon the transfer of each of the benefits, entitlements and incentives of any nature whatsoever of the Transferor Companies to Chalet pursuant to the order of the NCLT, Chalet shall file the relevant notifications and communications, if any required, for the record of the appropriate authorities which shall take them on record.

Transfer of Liabilities

- 4.10 With effect from the Appointed Date and upon the Scheme coming into operation, all debts, liabilities, duties and obligations of the Transferor Companies shall, pursuant to the order of the NCLT under Sections 232 of the Companies Act, without any further act or deed, be transferred or deemed to be transferred to and vested in and assumed by Chalet so as to become the debts, liabilities, duties and obligations of Chalet. 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 of this Scheme.

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- 4.11 All debts, liabilities, duties and obligations of the Transferor Companies as on the Appointed Date, whether or not provided in the books, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Companies on or after the Appointed Date and prior to the date coming into operation of the Scheme, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by Chalet by virtue of this Scheme.
- 4.12 Where any such debts, loans raised, liabilities, duties and obligations of the Transferor Companies as on the Appointed Date have been discharged or satisfied by the Transferor Companies after the Appointed Date and prior to the date of the Scheme coming into operation, such discharge or satisfaction shall be deemed to be for and on account of Chalet.
- 4.13 All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Companies in the ordinary course of its business, after the Appointed Date and prior to the date of the Scheme coming into operation shall be deemed to have been raised, used, incurred or undertaken for and on behalf of Chalet and to the extent they are outstanding on the date of the Scheme coming into operation, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in Chalet and shall become the loans and liabilities, duties and obligations of Chalet which shall meet, discharge and satisfy the same.
- 4.14 With effect from the Appointed Date and upon the Scheme coming into operation, all taxes, duties, cess payable by the Transferor Companies including all advance tax payments, tax deducted at source or any refunds / credit / claims relating thereto shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds / credit / claims on account of Chalet.

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PART C: GENERAL TERMS & CONDITIONS

5. ENCUMBRANCES

- 5.1 The transfer and vesting of the properties, assets, liabilities and undertakings of the Transferor Companies to and in Chalet in the manner as provided herein, shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- 5.2 All existing encumbrances over the assets and properties of Chalet or any part thereof which relate to liabilities and obligations of Chalet prior to the coming into operation of the Scheme shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies that may have been transferred to and vested in Chalet.
- 5.3 The existing encumbrances, debts, liabilities, duties and obligations of the Transferor Companies as on the Appointed Date, whether or not provided in the books of the Transferor Companies, and all debts and loans raised, and duties, liabilities and obligations incurred, or which arise or accrue to the Transferor Companies on or after the Appointed Date till the coming into operation of the Scheme, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by Chalet by virtue of this Scheme.
- 5.4 Any reference in any security documents or arrangements of the Transferor Companies and its assets and properties, shall be construed as a reference to Chalet. Without prejudice to the foregoing provisions, the Parties may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the RoC to give formal effect to the above provisions, if required.

6. CANCELLATION OF SHARES

- 6.1 The entire issued, subscribed and paid up share capital of the Transferor Companies is held by the Transferee Company and its nominees. Accordingly, pursuant to the Scheme, no shares of the Transferee Company shall be allotted in respect of its holding in the Transferor Companies. Upon the Scheme coming into operation, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Companies and the paid up share capital of the Transferor Companies shall stand cancelled and extinguished. The investment in the shares of the Transferor Companies appearing in the books of the Transferee Company, shall without any further act or deed, stand cancelled.

7. INCREASE IN THE AUTHORISED CAPITAL OF THE TRANSFEE COMPANY

- 7.1 Upon the Scheme coming into operation, the authorised share capital of the Transferor Companies shall be added to that of the Transferee Company and the Memorandum of Association and Articles of Association of the Transferee Company, shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company,

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including payment of stamp duty and fees payable to the Registrar of Companies, by an aggregate amount of Rs. 153,00,00,000, and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 13, 14, 61, 64 of the Companies Act, or any other applicable provisions of the Companies Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies on their authorised share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on the combined authorised share capital. Accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.

- 7.2 The capital clause being Clause V of the Memorandum of Association of the Transferee Company shall upon the scheme coming into operation stand substituted to read as follows:-

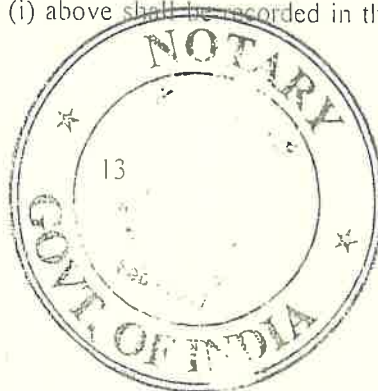
"The Authorised Share Capital of the Company is Rs. 598,10,00,000 divided into 38,21,00,000 Equity Shares of Rs. 10 (Rupees Ten) each, 20,000, 0.00% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 1,00,000/- (Rupees One Lakh) each and 1,600, 0.001% Non-Cumulative Redeemable Preference Shares of Rs. 1,00,000/- (Rupees One Lakh) each, with the rights, privileges and conditions attaching thereto as provided by the Articles of Association of the Company for the time being with power of the Company to increase or reduce such capital original or increased with or without any preference, priority or special privileges or subject to any postponement of rights or to any conditions or restrictions, and so that unless the conditions of issue otherwise expressly declare, any issue of shares, whether declared to be preference or otherwise shall be subject to the power hereinbefore contained."

8. ACCOUNTING TREATMENT IN THE BOOKS OF THE PARTIES

- 8.1 The accounting treatment of the amalgamation shall be as of the Appointed Date and Parties shall account for the amalgamation in accordance with "the acquisition method" as specified under the Indian Accounting Standards (Ind AS) 103 and other applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and other Generally Accepted Accounting Principles in India.

The accounting treatment will be as under:

- i. for the purpose of accounting for and dealing with the Book Value of the assets, liabilities and reserves in the books of account of the Transferee upon the Scheme becoming effective, the audited financial statements of the Transferor Companies as on the close of business on the day immediately preceding the Appointed Date shall be forwarded to the Transferee Company by the Transferor Companies;
- ii. the Book Value of all the assets, liabilities (excluding the Belaire FCCD's and Belaire ICD) and reserves of Transferor Companies as recorded in the financial statements referred to in sub-clause (i) above shall be recorded in the books of accounts of the



Transferee Company as such, subject to suitable adjustments being made, if any, to ensure uniformity of accounting policies;

- iii. investments in the Share Capital of the Transferor Companies in the books of accounts of the Transferee Company, whether held directly or indirectly through nominees, shall stand cancelled;
- iv. surplus or deficit, if any, arising as a result of amalgamation of the Transferor Companies into and with the Transferee Company, in terms of this Scheme, after adjustment of the amount of investment of the Transferee Company in the Transferor Companies due to cancellation of the share capital of the Transferor Company, shall be adjusted to reserves in the books of the Transferee Company;
- v. identity of the reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Companies, as on the Appointed Date;
- vi. all outstanding balances (including the Belaire FCCD's and Belaire ICD) as on the Appointed date between the Transferor Companies and the Transferee Company will stand cancelled and there shall be no further obligation in that behalf;
- vi. in case of any differences in accounting policies followed by Transferor Companies from that of Transferee Company, impact of the same till the date immediately preceding the Appointed Date shall be quantified and be appropriately adjusted and reported in accordance with Accounting Standards in the books of the Transferee Company, so as to ensure that the financial statements of Transferee reflect the financial position on the basis of consistent accounting policies.

9. DISSOLUTION OF THE TRANSFEROR COMPANIES

- 9.1 Upon the Scheme coming into operation, the Transferor Companies shall stand dissolved without being wound-up.
- 9.2 On effect from the date of coming into operation of the Scheme, the name of the Transferor Companies shall be struck off from the records of the RoC.

10. PROFITS, DIVIDEND

- 10.1 All Parties shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the coming into operation of this Scheme in the ordinary course.
- 10.2 On and from the Appointed Date, the profits of the Transferor Companies shall belong to and be the profits of Chalet and will be available to Chalet for being disposed of in any manner as it thinks fit.



11. CONDUCT OF BUSINESS TILL THE COMING INTO OPERATION OF SCHEME

- 11.1 From the date of approval of the Scheme by the Board of the Transferor Companies and up to and including the date of coming into operation of the Scheme, the Transferor Companies shall carry on their business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of Chalet, alienate charge, mortgage, encumber or otherwise deal with or dispose of the assets forming part of the business of the Transferor Companies and shall not undertake any new business other than business contemplated/commenced as per business plans of the Transferor Companies.

12. EMPLOYEES OF THE TRANSFEROR COMPANIES

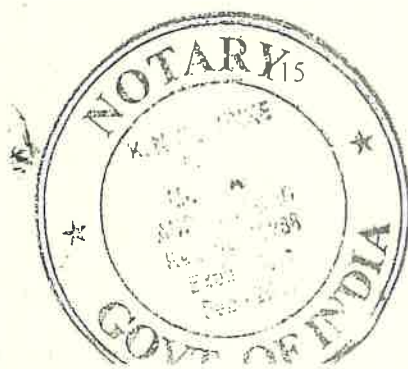
- 12.1 From the date of coming into operation of the Scheme, all staff and employees, if any, who are in employment of the Transferor Companies on the date immediately preceding the date of coming into operation of the Scheme, shall be deemed on and from the Appointed Date, to have become staff and employees of Chalet without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Chalet shall not be less favorable than those applicable to them with reference to their employment in the Transferor Companies as on the date of coming into operation of the Scheme.
- 12.2 On and from the date of coming into operation of the Scheme and with effect from the Appointed Date, the provident fund, gratuity fund, superannuation fund, employee state insurance scheme or any other special fund or trusts, (hereinafter collectively referred as "Funds") if any, created or existing for the benefit of the staff and employees of the Transferor Companies for any and all purposes whatsoever in relation to the administration or operation of such Fund(s) or in relation to the obligation to make contributions to the said Fund(s) in accordance with the provisions thereof, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such Fund(s) shall become those of Chalet. It is clarified that the services of the staff and employees of the Transferor Companies will be treated as having been continuous for the purpose of the said Fund(s).

13. LEGAL PROCEEDINGS

- 13.1 All legal proceedings or other proceedings under any statute of whatsoever nature by or against the Transferor Companies pending on and/or arising after the Appointed Date shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Chalet in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies.

14. TREATMENT OF TAXES

- 14.1 With effect from the Appointed Date and upon the Scheme coming into operation, all taxes, duties, cess payable by the Transferor Companies including all advance tax payments, tax



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deducted at source or any refunds / credit / claims relating thereto shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds / credit / claims on account of Chalet.

- 14.2 With effect from the Appointed Date and upon the Scheme coming into operation, all unavailed credits and exemptions including any input credits, margin money, retention money, deposit with statutory authorities, other deposits and benefit of carried forward losses / unabsorbed depreciation (if any) and other statutory benefits, including in respect of income tax (including minimum alternate tax (MAT) credit), Goods and Services Tax, Cenvat, customs, VAT, sales tax, service tax etc. to which the Transferor Companies are respectively entitled to, shall be available to and vest in Chalet without any further act or deed.
- 14.3 Upon the Scheme coming into operation, the Parties are permitted to revise and file their respective income tax returns, including tax deducted at source certificates, any returns under the goods and service tax, sales tax/ value added tax returns, service tax returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/ credits, pursuant to the provisions of this Scheme and in accordance with the applicable laws.
- 14.4 Chalet shall be entitled to file/ revise its income tax returns, TDS certificates, TDS returns, and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of tax deducted / collected at source, credit of taxes paid/ withheld etc., if any, as may be required consequent to implementation of this Scheme.

15. CONTRACTS, DEEDS, ETC.

- 15.1 Upon the Scheme coming into operation and subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature to which the Transferor Companies are a party to and which is subsisting or having effect on the date of coming into operation of the Scheme, shall be in full force and effect against or in favor of Chalet and may be enforced by or against Chalet as fully and effectually as if, Chalet had been a party thereto in place of the Transferor Companies respectively.
- 15.2 Chalet may at any time after the coming into operation effect of this Scheme in accordance with the provisions hereof, if so required under any law or if it is otherwise considered necessary or expedient, execute deeds, confirmations or other writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Companies will, if necessary, also be parties in order to give formal effect to the provisions of this Scheme if so required or becomes necessary. Chalet shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required to give effect to the provisions of this Scheme.

16. SAVING OF CONCLUDED TRANSACTIONS

Transfer and vesting of the assets, liabilities and obligations of the Transferor Companies and



continuance of any legal proceedings by or against the Transferor Companies shall not in any manner affect any transaction or legal proceedings already completed by the Transferor Companies till the Appointed Date to the extent that Chalet shall accept all such acts, deeds and things done and executed by and/or behalf of the Transferor Companies as acts, deeds and things done and executed by and on behalf of the Transferor Companies.

17. APPLICATION TO NCLT

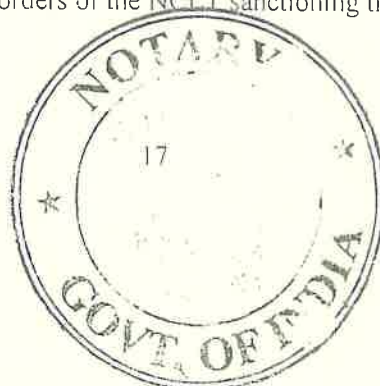
The Parties shall make all necessary applications under Sections 230 to 232 and other applicable provisions of the Companies Act to the NCLT as per the directions of their respective Board of Directors for seeking approval of the Scheme and for dissolution of the Transferor Companies without being wound up.

18. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 18.1 The Parties by their respective Boards of Directors and with the consent of the NCLT, may assent to/make and/or consent to any modifications/amendments of any kind to the Scheme or to any conditions or limitations that the NCLT /Governmental Authority, as the case may be, as applicable and/or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board of Directors).
- 18.2 The Parties by their respective Board of Directors are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or order of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith and the same shall be binding on all Parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 18.3 The Parties by their respective Board of Directors may jointly modify, vary or withdraw this Scheme at any time. Any modification to the Scheme by the Parties after receipt of sanction by the NCLT, shall be made only with the prior approval of the NCLT.

19. CONDITIONALITY OF THE SCHEME

- 19.1 The coming into operation of this Scheme is, and shall be conditional upon, and subject to:
- (i) The Scheme being approved by the requisite majority in number and value of the various class of shareholders and/or creditors (where applicable) of the Parties, as may be directed by the NCLT.
 - (ii) The Scheme being sanctioned by the NCLT, Mumbai under Sections 230 to 232 and other applicable provisions of the Act.
 - (iii) Certified copies of the orders of the NCLT sanctioning the Scheme, being filed with the RoC.



- (iv) The requisite consent, approval or permission of any other statutory or regulatory authority including depository(ies), which by law may be necessary for the implementation of this Scheme.
- 19.2 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the Board of the Parties.
- 19.3 The Board of Directors of the Transferor and Transferee shall, with the leave of the Tribunal (as applicable) be at liberty to withdraw the Scheme at any stage prior to obtaining the sanction of the Tribunal. Upon such withdrawal, the Scheme shall stand revoked, cancelled and be of no effect and no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Companies and the Transferee Companies or their respective shareholders or creditors or employees or any other person.

20. EFFECT OF NON-RECEIPT OF APPROVALS

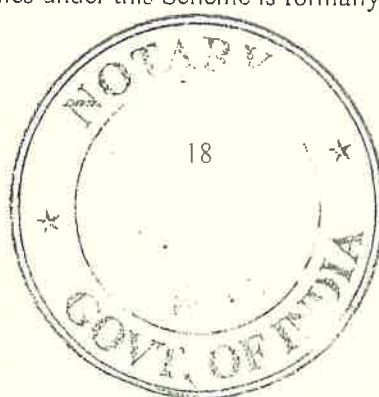
- 20.1 In the event of any of the said sanctions and approvals referred to in Clause 9 are not satisfied then the Parties have the power to withdraw the Scheme in the manner as provided in Clause 19.3.
- 20.2 In the event the Scheme is withdrawn by the Parties in the manner as provided in Clause 19.3, then in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. In such a case each Party shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme.

21. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Parties arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne in such manner as may be mutually agreed between the Parties and without prejudice to such mutual agreement between the Parties, any cash balances owing to the account of the Transferor Companies may be utilised towards meeting such costs, charges, taxes including duties, levies and all other expenses, if any.

22. RESIDUAL PROVISIONS

- 22.1 From the date of coming into operation of the Scheme, the Transferee Company shall be entitled to operate all bank accounts relating to the Transferor and realize all monies and complete and enforce all subsisting contracts and transactions in respect of the Transferor Companies in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to the Transferee Companies under this Scheme is formally accepted by the parties concerned.



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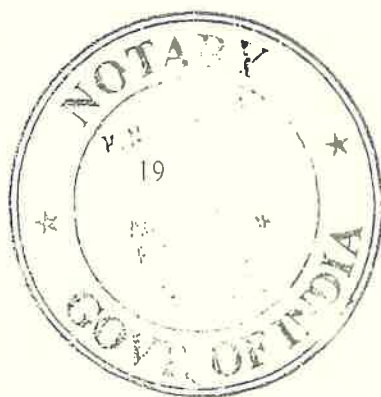


- 22.2 All approvals, permits, sanctions, statutory and other registers of any authorities as well as any record maintained by any statutory or other authority shall upon request of the Transferee Company be modified by the relevant authorities to record the impact on such registers and records by virtue of this Scheme.
- 22.3 Any error, mistake, omission, commission, which is apparent and/or absurd in the Scheme should be read in a manner which is appropriate to the intent and purpose of the Scheme and in line with the rationale as mentioned herein above.

Certified True Copy _____
 Date of Application 23/5/2023
 Number of Pages 19
 Fee Paid Rs. 95/-
 Applicant called for collection copy on 26/5/2023
 Copy prepared on 26/5/2023
 Copy issued on 26/5/2023

P. S. Sonawale
 Deputy Registrar

National Company Law Tribunal, Mumbai Bench



**AMENDED UPTO
DECEMBER 13, 2024**

**ARTICLES OF ASSOCIATION
OF
CHALET HOTELS LIMITED**

Note: By a Special Resolution passed at the Annual General Meeting of the Shareholders of Chalet Hotels Limited (the “**Company**”) held on August 12, 2021, these Articles were adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles of the Company.

**THE COMPANIES ACT, 2013 AND APPLICABLE PROVISIONS OF THE COMPANIES
ACT, 1956**

(COMPANY LIMITED BY SHARES)

ARTICLES OF ASSOCIATION

OF

CHALET HOTELS LIMITED

PRELIMINARY

1. CONSTITUTION OF THE COMPANY

- a. Save as provided herein, the regulations contained in Table “F” in Schedule I to the Companies Act, 2013, or in the Schedule to any previous Act (as defined below) shall not apply to the Company, except in regard to matters not specifically provided in these Articles or in the matters where the Articles specifically mention the reference to Table ‘F’. In case of any contradiction between the provisions of Table ‘F’ and these Articles, the provisions of these Articles will prevail.
- b. These Articles are in accordance with the prevailing laws in India. In case of amendment to any act, rules, regulations, etc. the article herein shall be deemed to have been amended to the extent that article will not be capable of restricting what has been allowed by the Act by virtue of an amendment, subsequent to adoptions of the article.
- c. These Articles shall be binding on the Company and its members as terms of agreement between them.
- d. The regulation of the management of the Company and for the observance of the Members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by Special Resolution as prescribed by the Companies Act, 2013.

2. DEFINITIONS AND INTERPRETATION

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- (a) “**Act**” means the (i) Companies Act, 2013 and the Rules (including any amendments, modification(s) or re-enactment thereof, for the time being in force) and clarifications

- issued thereunder to the extent in force pursuant to the notification of the notified sections; and (ii) Companies Act, 1956, and the rules thereunder, to the extent that such provisions have not been superseded by the Companies Act, 2013 or de-notified, as the case may be.
- (b) **“Annual General Meeting”** shall mean an annual general meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act.
 - (c) **“Articles”** shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
 - (d) **“Auditors”** shall mean and include those persons appointed as such for the time being by the Company.
 - (e) **“Board”** shall mean the board of directors of the Company, as constituted from time to time, in accordance with law and the provisions of these Articles.
 - (f) **“Board Meeting”** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
 - (g) **“Beneficial Owner”** shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act.
 - (h) **“Business Day”** means a day excluding Sundays and public holidays, on which banks are generally open for business in Mumbai for a transaction of ordinary banking business.
 - (i) **“Capital”** or **“Share Capital”** shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.
 - (j) **“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 22(e) herein below.
 - (k) **“Committees”** shall have the meaning ascribed to such term in Article 37.
 - (l) **“Companies Act, 1956”** shall mean the Companies Act, 1956 (Act I of 1956), to the extent in force for the time being.
 - (m) **“Company”** or **“this Company”** shall mean Chalet Hotels Limited, a company incorporated under the laws of India.
 - (n) **“Completion Date”** shall have the meaning set out under the Subscription Agreement;
 - (o) **“Depositories Act”** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
 - (p) **“Depository”** shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.
 - (q) **“Designated Bank Account”** shall have the meaning set out in the Subscription Agreement.

- (r) “**Designated Nominees**” shall have the meaning set out in the Subscription Agreement.
- (s) “**Director**” shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with law and the provisions of these Articles.
- (t) “**Dividend**” shall include interim dividends.
- (u) “**Equity Share Capital**” shall mean the total issued and paid up equity share capital of the Company, calculated on a Fully Diluted Basis.
- (v) “**Equity Shares**” shall mean fully paid up equity shares of the Company having a face value of Rs. 10 (Rupees ten only) per equity share or any face value as may be changed from time-to-time, and one vote per equity share or any other issued Share Capital (as defined below) of the Company that is reclassified, sub-divided, consolidated, reorganized, reconstituted or converted into equity shares.
- (w) “**Execution Date**” shall have the meaning ascribed to it under the Subscription Agreement.
- (x) “**Executor**” or “**Administrator**” shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- (y) “**Extraordinary General Meeting**” shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.
- (z) “**Financial Year**” shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year or any period construed as financial year under the provisions of the Companies Act, 2013.
- (aa) “**Fully Diluted Basis**” shall mean, in reference to any calculation, that the calculation should be made in relation to the Equity Share Capital, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for Equity Shares (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of Equity Shares possible under the terms thereof.
- (bb) “**General Meeting**” shall mean a meeting of holders of Equity Shares and any adjournment thereof.
- (cc) “**Independent Director**” means a non-executive Director (other than a nominee Director) as defined in the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (dd) “**India**” shall mean the Republic of India.
- (ee) “**Initial Subscription Amount**” shall have the meaning ascribed to it under the Subscription Agreement.
- (ff) “**Law**” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and Securities and Exchange Board of India, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules, regulations, or requirements of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.
- (gg) “**Listing Agreement**” means the agreement(s) entered into with the stock exchange(s) in India, on which company’s shares are listed.
- (hh) “**Listing Regulations**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or any other rules or regulations as issued by Securities and Exchange Board of India from time-to-time governing listing norms of a listed company.
- (ii) “**Managing Director**” shall have the meaning assigned to it under the Act.
- (jj) “**MCA**” shall mean the Ministry of Corporate Affairs, Government of India.
- (kk) “**Memorandum**” shall mean the memorandum of association of the Company, as amended from time to time.
- (ll) “**NCRPS**” means non-cumulative, non-convertible redeemable preference shares.
- (mm) “**Notified Sections**” shall mean the sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India, and are currently in effect.
- (nn) “**Office**” shall mean the registered office for the time being of the Company.
- (oo) “**Officer**” shall have the meaning assigned thereto by Section 2(59) of the Act.
- (pp) “**Ordinary Resolution**” shall have the meaning assigned thereto by Section 114 of the Act.
- (qq) “**Paid up**” shall include the amount credited as paid up.
- (rr) “**Person**” shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- (ss) “**Project**” shall have the meaning set out under the Subscription Agreement.

- (tt) **“Register of Members”** shall mean the register of shareholders, along with the index of beneficial owners maintained by the Depository, to be kept pursuant to Section 88 of the Act.
- (uu) **“Registrar”** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- (vv) **“Related Party”** shall have the meaning assigned to it in section 188 of the Act;
- (ww) **“Relative”** shall have the meaning assigned to in Section 2(77) of the Act;
- (xx) **“Rules”** shall mean the rules made under the Act and notified from time to time.
- (yy) **“Seal”** shall mean the common seal(s) for the time being of the Company.
- (zz) **“SEBI”** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- (aaa) **“Secretary”** shall mean a company secretary within the meaning of clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 and includes any other individual possessing the prescribed qualifications and appointed to perform the duties which may be performed by a secretary under the Act and any other administrative duties.
- (bbb) **“Securities”** shall mean the securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 including the Subscription Securities.
- (ccc) **“Series A NCRPS”** means 10,000 (Ten Thousand) 0% (Zero Percent) NCRPS of par value of INR 100,000 (Rupees One Hundred Thousand) each, to be issued by the Company on the terms and conditions set forth in the Subscription Agreement.
- (ddd) **“Series B NCRPS”** means 10,000 (Ten Thousand) 0% (Zero Percent) NCRPS of par value of INR 100,000 (Rupees One Hundred Thousand) each, to be issued by the Company on the terms and conditions set forth in the Subscription Agreement.
- (eee) **“Series C NCRPS”** means 10,000 (Ten Thousand) 0% (Zero Percent) NCRPS of par value of INR 100,000 (Rupees One Hundred Thousand) each, to be issued by the Company as fully paid-up securities in tranches on the terms and conditions set forth in the Subscription Agreement and any amendment thereto.
- (fff) **“Shareholder”/ “Member”** shall mean any shareholder of shares of the Company.
- (ggg) **“Shareholders’ Meeting”** shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.
- (hhh) **“Shares”** mean the Equity Shares and preference shares issued by the Company;
- (iii) **“Special Resolution”** shall have the meaning assigned to it under Section 114 of the Act.

- (jjj) **“Subscription Agreement”** means the subscription agreement dated June 04, 2018 executed among Ravi C. Raheja, Neel C. Raheja (collectively referred to as the **“Promoters”**) and the Company setting out the terms and conditions on which the Subscription Securities are to be issued to the Promoters (or their Designated Nominees) and includes such amendments thereto as may be carried out from time to time.
- (kkk) **“Subscription Securities”** means collectively, the Series A NCRPS, Series B NCRPS and any other series of NCRPS which may be subsequently issued by the Company to the Promoters or their Designated Nominees, in lieu of the funds being provided by the Promoters or their Designated Nominees to meet the Project Expenses.
- (lll) **“Subsidiary(ies)”** means any subsidiaries of the Company as determined under the Act and such other companies which may become Subsidiaries in future in accordance with applicable Law.
- (mmm) **“Transfer”** shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word **“Transferred”** shall be construed accordingly.
- (nnn) **“Tribunal”** shall mean the National Company Law Tribunal constituted under Section 408 of the Act.

Unless the context otherwise requires, words or expressions contained in these Articles and not otherwise defined or used herein, shall bear the same meaning as in the Act or any statutory modification thereof in force, unless the context of the same as used in these Articles is to the contrary.

3. CONSTRUCTION

- 1.** In these Articles (unless the context requires otherwise):
 - (a) References to a party shall, where the context permits, include such party’s respective successors, legal heirs and permitted assigns.
 - (b) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
 - (c) References to Articles and sub-Articles are references to Articles and Sub-Articles of

and to these Articles unless otherwise stated and references to these Articles include references to the Articles and Sub-Articles herein.

- (d) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- (e) Wherever the words “include,” “includes,” or “including” is used in these Articles, such words shall be deemed to be followed by the words “without limitation”.
- (f) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- (g) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.
- (h) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (i) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (j) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.
- (k) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.
- (l) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

2. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

3. PUBLIC COMPANY

The Company is a public company within the meaning of Section 2(71) of the Act and accordingly:

- (a) is not a private company;
- (b) has a minimum paid-up share capital as per Law;
- (c) has minimum of seven (7) members. Also, where two (2) or more persons hold one (1) or more shares in the Company jointly, they shall, for purposes of this provision, be treated as a single Member.

4. SHARE CAPITAL

- (a) The Authorized Share Capital of the Company shall be such as given in Clause V of the Memorandum of Association as altered from time to time.

The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

I. Equity Share Capital:

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

II. Preference Share Capital

- (b) The Paid up Share Capital shall be at all times at least a minimum of such amount as may be prescribed under the Act.
- (c) All Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to Dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.
- (d) The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.

Subject to these Articles and the provisions of section 55 of the Act, preference shares (other than the Subscription Securities) issued by the Company are at the option of the Company are liable to be redeemed at any time, but not later than *21st December, 2026, the Redemption Date.

**Substituted by way of Special Resolution passed at the Annual General Meeting of the Company held on August 10, 2023.*

The Company's option to redeem these Shares at any time prior to the Redemption Date shall be subject to serving the Preference Shareholders prior notice of three months. Further, the Preference Shares shall, subject to the availability of profits during any financial year, be entitled to nominal dividend of Re.1/- (Rupee One only) per Preference Share per year.

- (e) The Board may allot and issue Shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and / or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully / partly paid up shares and if so issued shall be deemed as fully / partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.
- (f) The amount payable on application on each share, other than the Subscription Securities, shall not be less than 5% (five percent) of the nominal value of the share or, as may be specified by SEBI. In case of the Subscription Securities, the amount payable on application of each Subscription Security shall be determined in accordance with the terms of the Subscription Agreement.
- (g) Nothing herein contained shall prevent the Directors from issuing fully Paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company, subject to applicable Laws.
- (h) The fully paid Shares shall be free from all lien and that in the case of partly paid Shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such Shares.
- (i) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- (j) Other than the provisions specifically pertaining to the holders of the Subscription Securities, all of the other provisions of these Articles shall apply to the shareholders.
- (k) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.
- (l) The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt

due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

- (m) Subject to the terms of these Articles, the Company in a general meeting upon the recommendation of the Board may consider offering shares of the Company to its employees including whole-time functional Directors under employee stock option plan or directly or through a committee, appointed by the Board. The allotment of such shares under this plan shall be in terms of the extant provisions in the Act, rules, regulations and guidelines of all the applicable statutes, from time to time.
- (n) The issue of certificates of shares or of duplicate or renewal of certificates of shares shall be governed in accordance with Article 9 of these Articles. The directors may also comply with the provisions of such rules or regulations of any depository with which shares of the Company are being dematerialized and with any of such stock exchange with which the Company gets listed at any point of time.
- (o) The Board may, in accordance of Article 16 of these Articles, from time to time, with the sanction of the Company in General Meeting by Ordinary Resolution increase the share capital of the Company by such sum to be divided into shares of such amount and of such classes with such rights and privileges attached thereto as the General Meeting shall direct by specifying the same in the resolution and if no directions be given, as the Board may determine.
- (p) The Company may by Ordinary Resolution:
 - (i) Consolidate classify, re-classify and divide all or any of its share capital into shares of larger amount than its existing shares:

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
 - (ii) Subdivide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced shares shall be the same as it was in the case of the share from which the reduced share is derived subject nevertheless to the provisions of Section 61 of the Act; and
 - (iii) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of share capital within the meaning of the Act.
- (q) The Company may, in accordance of Article 16 of these Articles, reduce in any manner, from time to time, by special resolution:
 - (i) Its share capital; and
 - (ii) Any capital redemption reserve fund or any share premium account.

- (r) All of the provisions of these Articles shall apply to the Shareholders.

4A. SUBSCRIPTION SECURITIES

4A.1 Project Expenses and Subscription:

- (a) In accordance with the Subscription Agreement, the Promoters have undertaken that on and from the Execution Date, they shall, directly or through their Designated Nominees, provide the Company with the funds required for meeting all costs, expenses and liabilities pertaining to the Project (net of any Project Receipts), including any costs and expenses required in connection with the ongoing litigation and for the completion of the Project (“**Project Expenses**”). Such funding by the Promoters shall take place by way of subscription, by either the Promoters themselves or by their Designated Nominees, to the Subscription Securities, in the manner and on the terms set out under the Subscription Agreement. On and from the Execution Date, any cash inflows / funds of the Company arising only from or relating to the Project (“**Project Receipts**”) shall be used in the first instance to meet the Project Expenses, and any amounts required by the Company to meet the Project Expenses, over and above the Project Receipts, shall be made available by the Promoters (or their Designated Nominees), by subscribing to the Subscription Securities and payment of calls made thereon, in the manner and on the terms set out in under the Subscription Agreement and any amendment thereto from time to time.
- (b) In lieu of the funds being provided by the Promoters (or their Designated Nominees) for meeting the Project Expenses, the Company shall issue and allot to the Promoters (or their Designated Nominees), the Subscription Securities in the manner set out under the Subscription Agreement and any amendment thereto from time to time.
- (c) In the event that the amount required towards meeting the Project Expenses exceeds the Initial Subscription Amount, the Promoters shall, either directly or through their Designated Nominees, subscribe to such additional number of Subscription Securities as may be required to meet the Project Expenses.

4A.2 Designated Bank Account:

- (a) The Project Expenses shall be met solely through the funds in the Designated Bank Account. For the avoidance of doubt, it is clarified that the cash flows generated from the other activities / businesses carried on by the Company (other than the Project), shall not be utilized by the Company for the purpose of meeting the Project Expenses.
- (b) The Project Receipts and any subscription amount received in connection with the Subscription Securities (including the Initial Subscription Amount), shall be retained in the Designated Bank Account and shall be used to meet the Project Expenses; in accordance with the terms of the Subscription Agreement. For the avoidance of doubt, it is clarified that in order to facilitate treasury management, the Company may utilise the funds in the Designated Bank Account for the purpose of satisfying the temporary overdraft limits on a day to day basis, for so long as there is no immediate requirement for meeting any Project Expenses. It is clearly understood that any amount required to meet the Project Expenses shall be ploughed back to the Designated Bank Account from such overdraft account.

- (c) The Company shall prepare and maintain a detailed fund flow statement on a quarterly basis, for the purpose of monitoring the balance of funds in the Designated Bank Account, which fund flow statement shall be disclosed on a quarterly basis, along with the financial statements of the Company, in accordance with applicable Law.

4A.3 *Calls on the Subscription Securities:* The Subscription Securities issued to the Promoters or their Designated Nominees, shall be partly paid/fully paid and the Company shall have the right at its discretion, to make calls on the holders of the Subscription Securities for the payment of the remaining amount of the Subscription Securities in the manner set out below:

- (a) Series A & Series B: The Company and its Board shall have the right to make future calls on the Subscription Securities if the amounts available in the Designated Bank Account are insufficient to meet any foreseeable Project Expenses. The first call made by the Company after the Completion Date for each of the Series A NCRPS and Series B NCRPS shall be INR 240,000,000 (Rupees Two Hundred and Forty Million). The amount to be called up in each instance thereafter, shall be in multiples of INR 250,000,000 (Rupees Two Hundred and Fifty Million) and shall be determined by the Board during its meeting. The promoter directors on the Board shall not be entitled to participate in the business pertaining to such calls at the relevant Board Meeting.

Series C: The Company and its Board shall, at its discretion have the right to make future calls on the Subscription Securities if the amounts available in the Designated Bank Account are insufficient to meet any foreseeable Project Expenses, as may be deemed fit and necessary.

- (b) The Company shall make calls for the remaining portion of the Initial Subscription Amount in accordance with applicable laws, such that each series of the Subscription Securities shall be fully paid up before the Company makes a call in connection with the next series of the Subscription Securities.
- (c) The Promoters (or their Designated Nominees) shall remit the funds for the called up amount to the Designated Bank Account within 14 (Fourteen) days from the date on which the amount towards the Subscription Securities is called up or in such other time period as may be prescribed by the Board while making the call.

4A.4 *Completion of Project:* The Project may be completed in one or more phases. A phase of the Project shall be deemed to be completed (“**Phase Completion**”) when the Company obtains a certificate of occupation (i.e. certification from the local government agency or planning authority granting the Company the permission to occupy the relevant portion / phase of the Project, in accordance with applicable law). The Company and its Board shall have the right to redeem the Subscription Securities in 1 (One) or more tranches, to the extent of any surplus amounts available in the Designated Bank Account (as determined by the Board during its meeting) and to the extent that it is permissible under applicable law, any time after each Phase Completion. The promoter directors on the Board shall not be entitled to participate in the business pertaining to such redemption at the relevant Board Meeting.

4A.5 *Rights of the Promoters (or their Designated Nominees)*

- (a) The Subscription Securities issued pursuant to the Subscription Agreement shall not carry any voting rights whatsoever in any meetings of the shareholders of the Company or of members of any class of shares of the Company. The Promoters or their Designated Nominees (or any transferee) who hold such Subscription Securities shall not be entitled to any voting, governance or management, rights or interests in the Company pursuant to the holding of such Subscription Securities issued under the Subscription Agreement. To the extent permissible, the Promoters or their Designated Nominees (or any transferee) who hold such Subscription Securities hereby waive all their rights and entitlements in connection with the Subscription Securities, particularly in connection with the voting, governance and management of the Company in their capacity as holders of the Subscription Securities, available under law.
- (b) Subject to applicable laws, other than the amounts payable for redemption of the Subscription Securities, no amounts shall be payable to the Promoters or their Designated Nominees in connection with the Subscription Securities, whether by way of Dividend or in any other manner whatsoever.

4A.6 *Redemption of the Subscription Securities:* Each series of the Subscription Securities shall be redeemed in accordance with applicable laws and the terms set out in Schedule I of the Subscription Agreement and any amendment thereto from time to time, only after such series has been fully paid up. The Promoters or their Designated Nominees or their transferees shall have the right to require the Company to make calls for any unpaid amount so as to ensure that the Subscription Securities are fully paid up to facilitate their redemption.

4A.7 *Conflict:* In the event of conflict between the terms of this Article 4A and the other Articles, the provisions of this Article 4A shall prevail, to the extent that such conflict pertains to the terms of the Subscription Securities set out under Article 4A.

5. SECURITIES

The Company shall, subject to all the applicable provisions of the Act, compliance with Law and the consent of the Board or/and Members as the case may be, have the power to issue Securities on such terms and in such manner as the Board deems fit including their conversion, repayment, and redemption whether at a premium or otherwise.

6. DEMATERIALIZATION OF SECURITIES

- (a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and / or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the Securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized,

in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act as amended from time to time.

- (c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles.

- (d) If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

- (e) **Securities in Depositories to be in fungible form:**

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88 and 89 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

- (f) **Rights of Depositories & Beneficial Owners:**

- (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.
- (ii) Save as otherwise provided in (i) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- (iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.
- (iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

- (g) **Register and Index of Beneficial Owners:**

The Company shall cause to be kept a register and index of Shareholders with details of shares held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of Shareholders for the purposes of the Act. The Company shall have the power to keep in any state or country outside India a part of the register for the members resident in that state or country.

(h) **Cancellation of Certificates upon surrender by Person:**

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(i) **Service of Documents:**

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

(j) **Transfer of Securities:**

(i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(k) **Allotment of Securities dealt with by a Depository:**

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(l) **Certificate Number and other details of Securities in Depository:**

Nothing contained in the Act or these Articles regarding the necessity of having certificate number / distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(m) **Provisions of Articles to apply to Shares held in Depository:**

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(n) **Depository to furnish information:**

Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(o) **Option to opt out in respect of any such Security:**

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the Depositories Act and Securities and Exchange Board of India (Depositories and Participants) Regulations, issue the certificate of Securities to the Beneficial Owner or the transferee as the case may be.

(p) **Overriding effect of this Article:**

Provisions of this Article 6 will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

7. COMMISSION AND BROKERAGE

- (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or procuring subscription, (whether absolutely or conditionally), for any shares in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014, debentures, or debenture-stock or other securities of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares, debentures or other securities of the Company.
- (b) The Company may also, on any issue of shares, debentures or any other securities, pay such brokerage as may be lawful.
- (c) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and Rules made there under.
- (d) 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.

8. SHARES AT THE DISPOSAL OF THE DIRECTORS

- (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased 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 Persons in such proportion and on such terms and conditions and either at a premium, at par or at a discount (subject to compliance with Section 53 and Section 54 of the Act) at such time as they may, from time to time, think fit and with the sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares of the Company either at par or premium during such time and for such consideration as the Board thinks fit and may issue and allot shares of the Company in the capital of the Company on payment in full or part of any property sold and transferred or for any, services rendered to the Company in the conduct of its business and any shares of the Company which may be

so allotted may be issued as fully Paid up shares of the Company and if so issued, shall be deemed to be fully paid up shares. Provided that option or right to call of shares of the Company shall not be given to any Person or Persons without the sanction of the Company in the General Meeting.

- (b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
- (c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.
- (d) In accordance with the applicable provisions of the Act and the Rules:
 - (i) Every Shareholder or allottee of shares shall be entitled, without payment, to receive one or more certificates in marketable lots specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company pursuant to receipt of permission from the Board. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive director(s). Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled but shall not be bound to prescribe a charge not exceeding Rupees Twenty (Rs.20).
 - (ii) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 8 (d) (i) above and in respect

of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holder shall be sufficient delivery to all such holders.

- (iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iv) The Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable / marketable lot.
- (v) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

9. SHARES AND SHARE CERTIFICATES

- (a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (b) A duplicate certificate of shares may be issued, if such certificate:
 - (i) is proved to have been lost or destroyed; or
 - (ii) has been defaced, mutilated or torn and is surrendered to the Company.
- (c) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be prima facie evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the prima facie evidence of the interest of the Beneficial Owner.
- (d) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees twenty (20) for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the

rules, regulations or regulatory requirements, as applicable including relevant provisions of the Act and Law including rules made under the Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or any other rules applicable in this behalf.

The provisions of this Article shall *mutatis mutandis* apply to the debentures of the Company.

- (e) The provisions of this Article shall *mutatis mutandis* apply any other Securities of the Company.
- (f) When a new share certificate has been issued in pursuance of sub-article (d) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.
- (g) Where a new share certificate has been issued in pursuance of sub-articles (d) or (e) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.
- (h) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (i) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (h) of this Article.
- (j) All books referred to in sub-article (i) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.
- (k) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (l) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares, and for all incidents thereof according to these Articles.
- (m) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall

not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

10. SHARE WARRANTS

The Company may issue share warrants subject to, and in accordance with, the provisions, if any, of the Act, and accordingly the Board may in its discretion, with respect to any Share which is fully Paid up, on application in writing signed by the Persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the Person signing the application, and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

11. CONVERSION OF SHARES INTO STOCK AND RECONVERSION

The Company may exercise the power of conversion of its shares into stock and in that case, clause 37 of Table 'F' in Schedule I to the Act shall apply as below:

- (a) The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations 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 regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

12. CALLS

- (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call of such shares as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by

installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

- (b) At least Fourteen (14) days' notice in writing for every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.
- (c) The joint holders of a share shall be jointly and severally liable to pay all installments and calls due in respect thereof.
- (d) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

(e) **Restriction on Power to make calls and notice:**

No call shall exceed one-fourth of the nominal amount of share, or be made payable within 30 days' after the last preceding call was payable. Not less than, 14 days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

- (i) If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being in respect of the share for which the call shall have been made or the installment shall be due, shall pay interest for the same at the rate of 10 per cent interest per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate (if any) as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest either wholly or in part.

(f) **Amount payable at fixed times or payable by installments as calls:**

If by the terms of issue of any share or otherwise any amount is made payable upon allotment or at any fixed time, or by investments at fixed time or whether on account of the amount of the share or by way of premium, every such amount or installment, shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to amount or installment accordingly.

(g) **Evidence in action by Company against shareholders:**

On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered

on the Register of Members as the holder and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and 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 the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

- (h) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

(i) **Payment of call in advance:**

The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act), agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

- (a) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.
- (b) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.

(j) **Revocation of calls:**

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

(k) **Calls on shares of same class to be on uniform basis:**

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

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

13. FORFEITURE OF SHARES

(a) If Call or Installment not paid notice may be given

- (i) If any Shareholder fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid serve a notice on such Shareholder requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company for the reason of such non-payment.
- (ii) The notice shall name a day (not being less than 14 days from the date of notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which such call was made or installments is payable will be liable to be forfeited. If notice is not complied with shares in respect of which such notice was given may be forfeited.

- (b) If the requirements of any such notice as aforesaid, be not complied with any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses due in respect thereof be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

(c) Notice after forfeiture:

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

(d) Forfeited share to become property of the Company:

Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit and the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to any person or persons entitled thereto.

(e) Power of annul forfeiture:

The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

(f) **Liability on forfeiture:**

A person whose share has been forfeited shall cease to be a Shareholder in respect of the share forfeited but shall, notwithstanding remain liable to pay and shall forthwith pay to the Company all calls, or installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon, from the date of forfeiture, until payment at such rate of interest per annum as the Board may determine and the Board may enforce the payment thereof, or any part thereof without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. 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.

(g) **Evidence of forfeiture:**

- (i) 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;
 - (ii) The Company may receive the consideration, if any, given for the share on any sale 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;
 - (iii) The transferee shall thereupon be registered as the holder of the share; and
 - (iv) 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 or disposal of the share.
- (h) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, 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 and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

(i) **Forfeiture provisions to apply to non-payment in terms of Issue:**

The provisions of Article 13 hereof 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 a share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

- (j) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

14. LIEN

- (a) The Company shall have a first and paramount lien upon every share / debenture not being a fully Paid up share / debenture registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such share / debenture whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share / debenture shall be created except upon the footing and condition that Article 15 hereof is to have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares / debentures subject to Section 205A of the Act. Unless otherwise agreed the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien if any on such shares / debentures. The Directors may at any time declare any shares / debentures wholly or in part to be exempt from the provisions of this clause. Fully paid-up shares / debentures shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.

(b) **As to enforcing lien by sale:**

For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as it think fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell has been served on such Shareholder, his executor or administrators or his payment of the moneys called or payable at a fixed time in respect such shares for fourteen days after the date of such notice. The Board may authorise some person to transfer the Shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the Shares comprised in any such transfer. 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 in reference to the sale.

(c) **Application of proceeds of sale:**

The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed, upon the shares before the sale) be paid to the person entitled to the share at the date of this sale.

(d) **Board may issue new certificate:**

Where any share under the power in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered upto the Company by the former holder of such share the Board may issue a new certificate for such share distinguishing in such manner as it may think fit from the certificate not so delivered up.

The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including Debentures (except Subscription Securities) of the Company.

15. TRANSFER AND TRANSMISSION OF SHARES

- (a) The Company shall maintain a “Register of Transfers” and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. All provisions of Section 56 of the Act and statutory modifications thereof shall be complied with in respect to all transfers of shares of the Company and registration thereof. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
 - (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act
 - (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (c) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
- (d) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (e) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. Further, subject to the provisions of Section 56 of the Act and section 22A and other relevant provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a Shareholder of the Company. The Board shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case

may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares / debentures in whatever lot shall not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need.

- (f) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

Subject to the provisions of these Articles, the Company shall not refuse the transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

- (g) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein 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.
- (h) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.
- (i) The Board shall not knowingly register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
- (j) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or

by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

- (k) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

- (l) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor and his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- (m) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (n) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other

similar documents, sub division and / or consolidation of shares and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

- (o) 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 or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend 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 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.
- (p) There shall be a common form of transfer in accordance with the Act and Rules.
- (q) The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall *mutatis mutandis* apply to the transfer or transmission by operation of Law to other Securities of the Company.

16. INCREASE AND REDUCTION OF CAPITAL

(a) Increase of Capital

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say:

- (i) it may increase its Share Capital by such amount as it thinks expedient;
- (ii) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

- (iii) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

- (v) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. Such cancellation of shares shall not be deemed to be a reduction of share capital;
- (vi) The Company shall have power, subject to and in accordance with all applicable provisions of the Act and Articles, to purchase any of its own fully paid Shares whether or not they are redeemable and may make payment out of capital in respect of such purchase;
- (vii) Subject to Applicable Law (including the Act), the Company may issue Shares; either equity or any other kind with non-voting rights and the resolution authorizing such issue shall prescribe the terms and conditions of that issue;

(b) **Reduction of capital:**

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. Option or right to call of shares shall not be given to any person except with the sanction of the Company in general meetings. This Article is not to derogate any power the Company would have under Law, if it were omitted.

(c) **Further issue of capital**

- (i) Where at any time, in terms of Section 62 of the Act, the Company proposes to increase its subscribed capital by the allotment of further shares either out of the unissued capital or out of the increased Share Capital, such shares shall be offered—
 - A. to persons who, as on the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-
 - a. the aforesaid offer shall be made by notice specifying the number of shares offered and limiting a time prescribed under the Act from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
 - b. the aforementioned 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; and the notice referred to in clause (a) above shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him;
 - c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he

declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company; and

- d. Nothing in sub-clause b of clause A of sub-article (i) above shall be deemed:
 - (i) to extend the time within which the offer should be accepted; or
 - (ii) to authorize any Person to exercise the right of renunciation for a second time, on the ground that the Person in whose favor the renunciation was first made has declined to take the shares comprised in the renunciation.
- e. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:
 - (i) to convert such debentures or loans into shares in the Company; or
 - (ii) to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

Provided that the terms of the issue of such debentures or the terms of such loans include a term providing for such option and such term have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.

- B. to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause A above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.
 - C. to employees under a scheme of employee stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed.
- (ii) The notice referred to in sub-clause (a) of clause A of sub-article (i) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing Shareholders at least 3 (three) days before the opening of the issue.
 - (iii) The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and other applicable provisions of the Act.

17. SURRENDER OF SHARES

Subject to the provisions of Section 66 of the Act, the Board may accept from any Shareholder the surrender on such terms and conditions as shall be agreed to, all or any of his shares.

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

18. POWER TO MODIFY RIGHTS

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Companies Act, 2013 and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is affected with consent in writing or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 48 of the Act and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall *mutatis mutandis* apply to every such meeting.

19. NOMINATION BY SECURITIES HOLDERS

- (a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.
- (b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.
- (d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.
- (e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of Section 71 of the Act and the Companies (Share Capital and Debentures) Rules, 2014.

20. BORROWING POWERS

(a) Power to borrow

Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board, raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company provided that the Board shall not, without the sanction of the Company pursuant to a Special Resolution passed in a General Meeting borrow any sum of money which together with money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate for the time being of the Paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

(b) Conditions on which money may be borrowed:

The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, or other tangible security on the undertaking of the whole or any part of the Company (both present and future) but shall not create a charge on its capital for the time being without the sanction of the Company in the General Meeting.

(c) Issue at discount or with special privileges:

Subject to the provisions of Section 53 of the Act, any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges or conditions as to redemption, surrender, drawings, allotment of shares, voting at general meetings, appointment of Directors or otherwise.

Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a Special Resolution.

(d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.

(e) The Board shall cause a proper Register to be kept in accordance with the provisions of

Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.

- (f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.
- (g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

21. GENERAL MEETING

- (a) In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next Annual General Meeting. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

- (b) **When Annual General Meeting to be held**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

- (c) **Venue, Day and Time for holding Annual General Meeting**

- (i) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
 - (ii) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

(d) **When extraordinary general meeting to be called**

- (i) All general meetings other than annual general meeting shall be called extraordinary general meeting.
- (ii) The Board may, whenever it thinks fit, call an extraordinary general meeting and it shall also do so upon a requisition received from such number of Shareholders who as on the date of receipt of the requisition, hold not less than one-tenth of such of the Paid up Share Capital of the Company which as on that date carries the right of voting and such meeting shall be held at the Registered Office of the Company or at such place and at such time as the Board thinks fit.
- (iii) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Act and Companies (Management and Administration) Rules, 2014.

(e) **Circulation of Shareholders' resolution:**

The Company shall comply with the provisions of Section 111 of the Act as to giving notice of resolutions and circulating statements on the requisition of Shareholders.

(f) **Notice of meetings**

- (i) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty-one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty-eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety-five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

- a. every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent Shareholder of the Company,
 - b. Auditor or Auditors of the Company, and
 - c. all Directors.
 - d. Any other persons, as the Board may decide
- (ii) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat which shall be given in the manner prescribed under Section 102 of the Act.
 - (iii) Contents and manner of service of notice and Persons on whom it is to be served:

Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their / its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

- (iv) **Special Business:** Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the Relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the Relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 (Two) per cent of the Paid up share capital of that other company. All business transacted at any General Meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.
- (v) **Resolution requiring Special Notice:** With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (vi) **Notice of Adjourned Meeting when necessary:** When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.
- (vii) **Notice when not necessary:** Save as aforesaid, and as provided in Section 103 of 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.
- (viii) **The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.**
- (ix) **The Company can also hold its General Meetings through Video Conferencing / Other Audio Video Means ('OAVM') as may be permitted by the Ministry of Corporate Affairs and other statutory authorities from time to time.**

22. PROCEEDINGS AT GENERAL MEETINGS

(a) Business of Meetings

The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors

and fix their remuneration and declare dividends. All other business transacted at an Annual General Meeting and all businesses transacted at any other General Meeting shall be deemed special business.

(b) Quorum to be present when business commenced:

No business shall be transacted at any General Meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business. The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act.

(c) When, if quorum not present, meeting to be dissolved and when to be adjourned:

If within half-an-hour from the time appointed for the meeting a quorum be not present, the meeting, if convened such requisition as aforesaid shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such time and place as the Board may by notice appoint and if at such adjourned meeting a quorum be not present within half-an-hour from the time appointed for holding the meeting those Shareholders, who are present and not being less than two shall be a quorum and may transact the business for which the meeting was called.

(d) Resolution to be passed by company in general meeting

Any act or resolution which under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if elected by an Ordinary Resolution as defined in Section 114 of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 114 of the Act.

(e) Chairman of General Meeting

The Chairman of the Board shall be entitled to take the Chair at every General Meeting. If there is no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act, the Shareholders present shall choose another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair, then the Shareholders present shall, on a show of hands or on a poll if properly demanded, elect one of their member being a Shareholder entitled to vote, to be the Chairman.

(f) Chairman can adjourn the General Meeting

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and except as provided in Section 103 of the

Act, it shall not be necessary to give any notice of an adjournment of the business to be transacted at the adjourned meeting.

(g) **How questions to be decided at meetings**

Every question submitted to a meeting shall be decided, in the first instance by a show of hands and in the case of equality of votes, both on a show of hands and on a poll, the Chairman of the meeting shall have a casting vote in addition to votes to which he may be entitled to as a member.

(h) **Poll**

If a poll be demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman and in any other case in such manner and such time, not being later than forty-eight hours from the time when the demand was made and at such place as the Chairman of the meeting directs, and subject as aforesaid, either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the decision of the resolution on which the poll was demanded.

- (i) The demand of a poll may be withdrawn at any time.
- (ii) Where a poll is taken the Chairman of the meeting shall appoint two scrutineers, one at least of whom shall be Shareholder (not being an Officer or employee of the Company) present at the meeting provided such a Shareholder is available and is willing to be appointed to scrutinize the vote given on the poll and to report to him thereon.
- (iii) On a poll a Shareholder entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes use all his votes or cast in the same way all the votes he uses.
- (iv) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

(i) **Passing Resolutions by Postal Ballot**

Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law be required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

- (j) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law.

Further, as per sub-clause (xxi) the Company shall also provide e-voting to the Shareholders of the Company.

(k) **Votes of Shareholder:**

Save as hereinafter provided, on a show of hands every Shareholder present in person and being a holder of an equity share shall have one vote and every Shareholder present as a duly authorized representative of a body corporate, being a holder of equity shares, shall have one vote.

- (i) Save as hereinafter provided on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 47 of the Act.
- (ii) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (iii) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- (iv) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
- (v) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
- (vi) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
- (vii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
- (viii) In no case the minutes of proceedings of a meeting shall be attached to any such

book as aforesaid by pasting or otherwise.

- (ix) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (x) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- (xi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
- (xii) Any such Minutes shall be evidence of the proceedings recorded therein.
- (xiii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- (xiv) The Company shall cause minutes to be duly entered in books provided for the purpose of:
 - a. the names of the Directors and Alternate Directors present at each General Meeting;
 - b. all Resolutions and proceedings of General Meeting.
- (xv) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.
- (xvi) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.
- (xvii) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- (xviii) 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.

- (xix) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.
- (xx) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).
- (xxi) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the Listing Regulations or any other Law, if applicable to the Company.

- (xxii) Procedure where a Company or body corporate is a Shareholder of the Company

Where a body corporate (hereinafter called “Shareholder Company”) is a Shareholder of the Company a person duly appointed by resolution in accordance with the provisions of Section 113 of the Act to represent such Shareholder Company at a meeting of the Company shall not, by reason of such appointment, be deemed to be a proxy and the lodging with the Company at the office or production at the meeting of a copy of such resolution duly signed by one Director or such Shareholder Company and certified by him as being a true copy of the resolution shall on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers including the right to vote by proxy on behalf of the Shareholder Company which he represents, as that Shareholder Company could exercise if it were an individual member.

Where the President of India or the Governor of a State is a Shareholder of the Company than his representative at meeting shall be in accordance with Section 112 of the Act.

- (xxiii) Joint holders:

Where there are joint registered holders of any share anyone of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy that one of the said persons so present whose name stands first on the Register of Members in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Shareholder in whose name any share is registered shall, for the purposes of this Article be deemed joint-holders thereof.

(xxiv) Proxies permitted:

Votes may be given either personally, or in the case of a body corporate, by a representative duly authorized as aforesaid or by proxy.

(xxv) Instrument appointing proxy to be in writing, Proxies may be general or special:

The instrument appointing a proxy shall be in writing under the hands of the appointer or of his Attorney duly authorized in writing or if such appointer is a body corporate be under its common seal or the hand of its Office or Attorney duly authorized. A proxy who is appointed for a specified meeting shall be called a Special Proxy. Any other proxy shall be called a general Proxy.

(xxvi) Instrument appointing a proxy to be deposited at the Office:

The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office not less than 48 (forty-eight) hours before the time for holding the meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.

(xxvii) Whether vote by proxy valid through authority revoked:

A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received by the Company at the office before the vote is given. Provided nevertheless that the vote of Chairman is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

(xxviii) Form of instrument appointing a special proxy:

Every instrument appointing a special proxy shall be retained by the Company and shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act or as near thereto as possible or in any other form which the Board may accept.

(xxix) Restriction on voting:

No Shareholder shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien, but the Board of Directors may by a resolution passed at the meeting of the Board waive the operation of this Article.

(xxx) Admission or rejection of votes:

Any objection as to the admission or rejection of a vote either, on a show of hands or, on a poll made in due time, shall be referred to the Chairman who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.

No objection shall be raised to the qualification of any vote except at the meeting or adjourned meeting at which the vote objected to is given or rendered and every vote not disallowed at such meeting shall be valid for all purposes.

23. DIRECTORS

(a) The first Directors of the Company were:

Sl. No.	Name
1	Mr. Chandru Lachmandas Raheja
2	Mr. Suresh Lachmandas Raheja

- (b) The business of the Company shall be managed by the directors who may exercise all such powers of the Company as are not restricted by the Act or any statutory modification thereof for the time being in force or by these Articles required to be exercised by the Company in General Meeting, subject nevertheless, to any regulations of these Articles, to the provisions of the Act, and to such regulations not being inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting. Nothing shall invalidate any prior act of the Directors which would have been valid if that regulation had been made.
- (c) The number of Directors shall not be less than three (3) nor more than fifteen (15). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.
- (d) The Directors need not hold any qualification shares in the Company.
- (e) Subject to the provisions of the Act and the rules framed thereunder and as may be determined by the Board, each non-executive Director shall receive out of the Company by way of sitting fees for his/her services a sum not exceeding the sum prescribed under the Act or the central government from time to time for every meeting of the Board or Committee thereof attended by him/her.
- (f) The Directors shall also be paid travelling and other expenses for attending and returning from meetings of the Board (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company.
- (g) The Directors may also be remunerated for any extra services done by them outside their ordinary duties as directors, subject to the provisions of Section 188 of the Act.

- (h) Subject to the provisions of the Act if any Director, being willing, shall be called upon to perform extra services for the purposes of the Company then, subject to Section 197 of the Act the Company shall remunerate such Director by such fixed sum or percentage of profits or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration provided above.
- (i) Subject to the provisions of Section 188 of the Act, the remuneration of Directors may be a fixed or a particular sum or a percentage sum or a percentage of the net profits or otherwise as may be fixed by the Board, from time to time.
- (j) Subject to the provisions of Sections 188 and 184 of the Act, no Directors shall be disqualified by his office from contracting with the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established but it is declared that the nature of his/her interest must be disclosed by him / her at the meeting of the Directors at which the contract is determined if his / her interest then exists or in any other case, at the first meeting of the directors after he / she acquires such interest.
- (k) Subject to Section 161 of the Act, any Director other than Independent Directors (hereinafter called the “Original Director”) shall be entitled to nominate an alternate director (subject to such person being acceptable to the Chairman) (the “**Alternate Director**”) to act for him during his absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director during the Original Director’s absence for a period of not less than three months from India. An Alternate Director appointed under this Article 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 office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.
- (l) The Directors shall have the power, at any time and from time to time, to appoint any person as additional directors in addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.
- (m) The Company may, by Ordinary Resolution, of which special notice has been given in accordance with the provisions of Section 115 of the Act, remove any Director, if any, before the expiration of the period of his office, notwithstanding anything contained in these regulations or in any agreement between the Company and such Director. Such removal shall be without prejudice to any contract of service between him and the Company.

- (n) If a Director appointed by a Company in a General Meeting, vacates office as a Director before his term of office would expire in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any person so appointed shall retain his office so long only as the vacating director would have retained the same if vacancy had not occurred, provided that the Board may not fill such a casual vacancy by appointing thereto any person who has been removed from the office of director under Article 23 (m).
- (o) Section 167 of the Act shall apply, regarding vacation of office by director. A director shall also be entitled to resign from the office of directors from such date as he may specify while so resigning.

(p) Company in general meeting to increase or reduce number of Directors:

Subject to Article 23 (c) and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

(q) Chairman of the Board of Directors

The members of the Board shall elect any one of them as the Chairman of the Board subject to the requirements prescribed under the Act and Listing Regulations. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

If for any reason the Chairman is not present within 15 (fifteen) minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman for the said Meeting.

(r) Independent Directors

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the Listing Regulations.

(s) Equal Power to Directors

Except as otherwise provided in these Articles, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

(t) **^Nominee Directors**

- (i) Whenever the Board enters into a contract with any lenders / debenture trustee in connection with borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders / debenture trustee shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement / facility agreement / debenture trust deed.

Further, the Board shall, upon receipt of a notice, or nomination, from a trustee/debenture trustee in pursuance of any agreement/deed or provisions of any law for the time being in force, appoint a person nominated by such trustee/debenture trustee in accordance with inter alia the agreement/deed read with the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (each as amended from time to time), as a Nominee Director on the Board of the Company ('Nominee Director/Lender Nominee'), at the earliest and within the timelines provided in the agreement/deed read with the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (each as amended from time to time) and other applicable provisions or regulations and modifications including any amendments thereto.

The nominee director representing lenders / debenture trustee(s) shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders / debenture trustee(s) entitled to appoint or nominate them and such lenders / debenture trustee(s) may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders or until the redemption of such non-convertible debentures.

- (ii) The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders..
- (iii) Provided that if any such nominee director is an officer of any of the lenders / debenture trustee(s), the sittings fees in relation to such nominee director shall also accrue to the lenders / debenture trustee(s) concerned and the same shall accordingly be paid by the Company directly to that lenders / debenture trustee(s).

- (iv) Any expenditure that may be incurred by the lenders or debenture trustee(s) or the nominee director in connection with the appointment or directorship shall be borne by the Company.
- (v) The nominee director shall be entitled to receive all notices, agenda, minutes, etc., and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member.
- (vi) If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders / debenture trustee(s) may depute an observer to attend the meeting. The expenses incurred by the lenders / debenture trustee(s) in this connection shall be borne by the Company.

(u) Director's fees, remuneration and expenses:

- (i) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is / are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.
- (ii) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time pursuant to the first proviso to Section 197(5) of the Act.
- (iii) All fees / compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General meeting, in applicable cases. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees.

Notwithstanding anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

(v) Vacation of Office of Director:

Subject to relevant provisions of Sections 167 and 188 of the Act, the office of a Director, shall ipso facto be vacated if:

- (i) he is found to be of unsound mind by a court of competent jurisdiction; or
- (ii) he applies to be adjudicated an insolvent; or

^Substituted by way of Special Resolution passed through Postal Ballot on December 13, 2024

- (iii) he is adjudged an insolvent; or
 - (iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or
 - (v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
 - (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board; or
 - (vii) he, (whether by himself or by any Person for his benefit or on his account), or any firm in which he is a partner, or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company, in contravention of Section 185 of the Act; or
 - (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
 - (ix) he acts in contravention of Section 184 of the Act; or
 - (x) he becomes disqualified by an order of the court or tribunal; or
 - (xi) he is removed in pursuance of Section 169 of the Act; or
 - (xii) he is disqualified under Section 164(2) of the Act.
- (w) The Company shall keep at its Office a register containing the particulars of its Directors and key managerial personnel as may be prescribed under Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.
- (x) The Company shall not appoint or employ, or continue the appointment or employment of a person as its managing or whole-time Director who is disqualified under Section 196(3) and other applicable provisions of the Act or other applicable laws and regulations.
- (y) All acts done by Board, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director and such person had been appointed and was qualified to be a Director as the case may be.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become

effective upon its acceptance by the Board.

24. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 23 (c) hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

25. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP

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

If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, subject to compliance with the applicable law.

26. POWERS OF THE BOARD

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

- (a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of the Company.
- (b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.
- (c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-
- i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;
 - ii. Remit, or give time for repayment of, any debt due by a Director;
 - iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

- iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the Paid up capital of the Company and its free reserves.

27. RELATED PARTY TRANSACTIONS

- (a) Except with the consent of the Audit Committee, Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, the Company shall not enter into any contract or arrangement with a 'Related Party' with respect to:
 - (i) sale, purchase or supply of any goods or materials;
 - (ii) selling or otherwise disposing of, or buying, property of any kind;
 - (iii) leasing of property of any kind;
 - (iv) availing or rendering of any services;
 - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
 - (vi) such Director's or its Relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
 - (vii) underwriting the subscription of any securities or derivatives thereof, of the company;
- (b) no Shareholder of the Company shall vote on such Ordinary Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a Related Party.
- (c) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis
- (d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.
- (e) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.
- (f) The term 'related party' shall have the same meaning as ascribed to it under the Act and Listing Regulations.
- (g) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 and all other laws as may be applicable from time to time, shall be made for the aforesaid contracts and arrangements.

28. APPOINTMENT OF DIRECTOR OF A COMPANY IN WHICH THE COMPANY IS INTERESTED:

A Director may be or become a Director of any Company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such Company except in so far as Section 188 or Section 197 of the Act as may be applicable.

29. DISCLOSURE OF A DIRECTOR'S INTEREST

Every Director shall in accordance with the provisions of Section 184 of the Act and of the Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act;

Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid up Share Capital in the other company or the Company as the case may be.

A general notice given to the Board by the Director, to the effect that he is a director or shareholder of a specified body corporate or is a partner of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the first meeting of the Board in the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

30. DISCUSSION AND VOTING BY INTERESTED DIRECTOR:

No Director shall, as a Director, take any part in the discussion of, or vote on any contract or arrangement in which he is in any way, whether directly or indirectly concerned or interested, nor shall his presence count for the purpose of forming a quorum at the time of such discussion or vote. This prohibition shall not apply to:

- (a) Any contract of indemnity against any loss which the Director's or any of them may suffer by reason of becoming or being sureties or surety for the company: or

- (b) Any contract or arrangement entered into or to be entered into by the Company with a public company, or with a private company, which is a subsidiary of a public company, in which the interest of the Director consists solely in his being a Director of such Company and the holder of shares not exceeding a number of value the amount requisite to qualify him for appointment as a director thereof, he having been nominated as such Director by the Company or in his being a Shareholder of the Company holding not more than two per cent of the Paid up share capital of the Company.

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or Relative of such Director, any firm in which such Director or a Relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

- (c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 29. The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

31. ROTATION AND RETIREMENT OF DIRECTOR

(a) Rotation of Directors

The office of not less than two-thirds of the Directors of the Company shall be determined to be liable to retire by rotation. At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, including the Managing Director, Wholetime Director & Executive Director or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-appointment, unless a notice in writing is given by such director for not seeking re-appointment

(b) Which Directors to retire:

- (i) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day those to retire shall, in default to for subject to any agreement among themselves, be determined by lot.
- (ii) Save as permitted by Section 162 of the Act, every resolution of a General Meeting for the appointment of a Director shall relate to one name individually.

32. WHEN THE COMPANY AND CANDIDATE FOR OFFICE OF DIRECTOR MUST GIVE NOTICE:

The eligibility and appointment of a person other than a retiring Director to the office of the Director shall be governed by the provisions of Section 160 of the Act.

33. REGISTER OF DIRECTORS, KEY MANAGERIAL PERSONNEL, ETC.

- (a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.
- (b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

34. PROCEEDINGS OF MEETINGS OF DIRECTORS

- (a) The Quorum necessary for the transaction of the business of directors shall be minimum three or one third of the total numbers of directors whichever is higher, including at least one independent director, subject to Section 174 of the Act and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.
- (b) If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.
- (c) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.
- (d) Subject to the provisions of Section 173 of Act, a meeting of the Board shall be held in such a manner that not more than 120 days shall intervene between two consecutive meetings of the Board and at least four such meetings shall be held in each year. The directors may meet together for the discharge of the business, adjourn and otherwise regulate their meetings and proceedings, as they think fit.
- (e) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board. Notice of every meeting of Board of the Company shall be given in writing to every director, at his / her address / email address registered with the Company or in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- (f) A meeting of the director for the time being at which a quorum is present, shall be competent to exercise all or any of the authorities, powers and discretions by law or under

Articles and regulations for the time being vested in or exercisable by directors.

- (g) The Managing Director or a Director or a secretary upon the requisition of Director(s), may at any time convene a meeting of the Board.
- (h) The questions arising at any meeting of the Board shall be decided by a majority of votes, unless unanimous consent is required under the Act and in case of any equality of vote,; the Chairman shall have a second or casting vote.
- (i) The meetings of the Board or any Committee thereof may be convened either at the Registered Office of the Company, or at any other location in India or outside India.
- (j) No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.
- (k) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- (l) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- (m) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

35. COMMITTEES AND DELEGATION BY THE BOARD

- (i) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like

force and effect as if done by the Board.

- (ii) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
- (iii) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.
- (iv) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

36. WHEN ACTS OF A DIRECTOR VALID NOTWITHSTANDING INFORMAL APPOINTMENTS:

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

37. RESOLUTIONS BY CIRCULATION:

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or Committee members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors or Committee members for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the

Board/ Committees.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

38. MINUTES

- (a) The Board shall respectively cause minutes of all proceedings of General Meetings and of all proceedings at meetings of Board or of Committee to be duly entered in books to be maintained for that purpose in accordance with Section 118 of the Act, provided that the minutes book may be maintained in loose leaf
- (b) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- (c) The Company shall circulate the draft minutes of the meeting to each Director within 15 (fifteen) days after the Board Meeting.
- (d) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (e) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (f) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -
 - (i) all appointments of Officers;
 - (ii) The name of the Directors present at the meeting in case of meeting of Board or Committee of Board;
 - (iii) all resolutions and proceedings of the meetings of the Board; and
 - (iv) the name of the Directors, if any, dissenting from or not consenting to the resolution, in the case of each resolution passed at the meeting of Board or Committee of Board.
- (g) Nothing contained in sub Articles (a) to (f) above shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting: -
 - (i) is or could reasonably be regarded as defamatory of any person;
 - (ii) is irrelevant or immaterial to the proceedings; or
 - (iii) is detrimental to the interests of the Company.
- (h) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion

of any matter in the minutes on the ground specified in sub Article (g) above.

- (i) Any such minutes, purporting to be signed in accordance with the provisions of Sections 118 of the Act, shall be evidence of the proceedings.
- (j) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

39. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

- (a) to make calls on Shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of securities under Section 68 of the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow money(ies);
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statements and the Board's report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) fees / compensation payable to non-executive directors including independent directors of the Company; and

any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

40. MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER

The Board may, from time to time, subject to the provisions of Sections 196 and 203 of the Act and of these Articles, appoint from time to time, a Managing Director or whole time director or executive director or manager of the Company for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment. His appointment will be automatically terminated if he ceases to be a director.

The Board, subject to Section 179 of the Act, may entrust to and confer upon a managing director or a whole time director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

The person so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally.

41. PROVISIONS TO WHICH MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER ARE SUBJECT

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall *ipso facto* and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager.

42. POWER OF ATTORNEY:

The Board may, at any time and from time to time, by Power-of-Attorney under Seal appoint any persons to be the Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which may be delegated by the Board under the Act) and for such period and subject to such conditions as the Board may, from time to time, think fit; and any such appointments, may, if the Board thinks fit, be made in favour of the Shareholders, or in favour of the Company or of the Shareholders, directors, nominees, or officers of any Company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board; and any such Power-of-Attorney may contain such provisions for the protection or convenience of persons dealing with such Attorney as the Board think fit.

43. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act:-

- (a) A Chief Executive Officer, Manager, Chief Financial Officer or Company Secretary 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, Chief Financial Officer or Company Secretary so appointed may be removed by means of a resolution of the Board;
- (b) A director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.
- (c) Any provision in the Act or these Articles requiring or authorising a thing to be done by or to a Director and Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.
- (d) The Company may from time to time nominate any such person as is deemed fit as a Key Managerial Personnel of the Company in respect of their respective functional area, in addition to the Key Managerial Personnel as required to be appointed under the Act.

44. POWER TO AUTHENTICATE DOCUMENTS:

Any Director or the Company Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof extracts therefrom, as true copies or extracts and where any books, records, documents or accounts are elsewhere than at the office, the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Board as aforesaid.

45. CERTIFIED COPIES OF THE BOARD:

A document purporting to be a copy of a resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the last preceding Articles shall be conclusive evidence in favour of all persons dealing with the Company upto the faith thereof that such resolution has been duly passed or, as the case may be that such extract is true and accurate record of a duly constituted meeting of the Directors.

46. RESERVES

The Board may from time to time before recommending any Dividend set apart any such portion of the profit of the Company as it thinks fit as reserves to meet contingencies or for the liquidations of the debentures, debts or other liabilities of the

Company, for equalization of Dividends for repairing, improving or maintaining any of the property of the Company and such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may subject to the provisions of Section 186 of the Act, invest the several sums so set aside upto such investments (other than shares of the Company) as it may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserve into such special funds as the Board thinks fit, with full power to employ the Reserve or any part thereof in the business of the Company and that without being bound to keep the same separate from other assets.

47. INVESTMENT OF MONEY

All money carried to the Reserves shall nevertheless remain and be profits of the Company available, subject to due provision being made for actual loss or depreciation, for the payment of Dividends and such moneys and all the other moneys of the Company not immediately required for the purpose of the Company may, subject to the provision of Section 186 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any Bank on deposit or otherwise as the Board may, from time to time think proper.

48. ISSUE OF BONUS SHARES

The Company in its General Meeting may resolve to issue the bonus shares to its shareholders subject to the applicable provisions of the Act and other laws as may be applicable in this behalf from time to time.

49. FRACTIONAL CERTIFICATE

For the purpose of giving effect to any resolution under the two last preceding Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and, in particular, may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that cash payments shall be made to any Shareholders upon the footing of value so fixed in order to adjust the right so fall parties may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the dividends or capitalized fund as may seem expedient to the Board. Where requisite a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividends or capitalized fund and such appointment shall be effective.

50. DIVIDENDS AND RESERVES

- a. Subject to the applicable provisions of the Act and Rules made there under, the Company in General meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

- b. Subject to the applicable provisions of the Act and Rules made there under, the Board may, from time to time, pay to the members such interim dividends as it may appear to be justified by the profits earned by the Company.
- c. The Board may, before recommending any dividend, set aside out of the profits of the Company, such sums, as it may think proper, as reserve or reserves which shall at the discretion of the Board, be applicable for any of the purposes to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such applications may at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.
- d. The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
- e. Subject to the rights of the persons, if any, holding shares with special rights as the 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.
- f. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as having been paid on the share.
- g. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- h. 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.
- i. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post direct to the registered address of the holder or, in 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 first named holder or joint holders may in writing direct.
- j. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- k. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonus or other moneys payable in respect of such share.
- l. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- m. Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

- n. No dividend shall bear interest against the Company, irrespective of the reason for which it has remained unpaid.
- o. Notwithstanding anything contained in this Article, the Dividend Distribution Policy of the Company shall be governed by the applicable provisions of the Act and Law.
- p. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law provided that a recognized stock exchange may provisionally admit to dealings the securities of a company which undertakes to amend articles of association at its next general meeting so as to fulfill the foregoing requirements and agrees to act in the meantime strictly in accordance with the provisions of this clause.

51. UNPAID OR UNCLAIMED DIVIDEND

- (a) If the Company has declared a Dividend which has not been paid or claimed or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration to any Shareholder entitled to payment of the Dividend, the Company shall within 7 days from the expiry of the aforesaid period transfer the total amount of dividend, which remained unpaid or unclaimed within the period of 30 (thirty) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called the “Unpaid Dividend of Chalet Hotels Limited”.
- (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. “Investors Education and Protection Fund”. Unless otherwise required for compliance with the provisions of the applicable laws, no unclaimed or unpaid dividend shall be forfeited by the Board, before the claim becomes barred by the law.

52. BOOKS OF ACCOUNT TO BE KEPT

The Board shall cause proper books of account to be maintained under Section 128 of the Act.

Subject to the provisions of Section 207 of the Act the Board shall also, from time to time, determine whether and to what extent, and at what times and places, and at what conditions or regulations account books of the Company or any of them, are to be kept or shall be open to the inspection of Shareholders not being Directors.

Subject to the provisions of Section 207 of the Act no Shareholder (not being the director) or other person shall have any right of inspecting any account book or document of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

The Books of accounts shall be kept at the Office or at such other place in India as the Board may decide and when the Board so decides, the Company shall within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

The Books of Account shall be open to inspection by any Director during business hours.

53. ACCOUNTS

- (a) Balance sheet and profit and loss account of the Company will be audited once in a year by a qualified auditor for certification of correctness as per provisions of the Act.

- (b) **Balance Sheet and Profit and Loss Account:**

At every Annual General Meeting the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provision of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of sections 134 of the Act so far as they are applicable to the Company but, save as aforesaid the Board shall not be found to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

- (c) **Annual Report of Directors:**

There shall be attached to every Balance Sheet laid before the Company a report by the Board complying with Section 134 of the Act and other applicable laws.

- (d) **Copies to be sent to Shareholders and others:**

A copy of every Balance Sheet (including the Profit and Loss Account, the Auditors Report and every document required by law to be annexed or attached to the Balance Sheet) shall, as provided by section 136 of the Act not less than twenty-one days before the meeting be sent to every such Shareholders, trustee and other person to whom the same is required to be sent by the said section.

- (e) **Copies of Balance Sheet to be filed:**

The Company shall comply with Section 137 of the Act as to filing copies of the Balance Sheet and Profit and Loss Account and documents required to be annexed or attached thereto with the Registrar of Companies.

- (f) **Service of process in winding-up:**

Subject to the provisions of the Act, in the event of winding-up of the Company every Shareholder of the Company who is not for the time being in the place where the office of the Company is situated shall be bound, within eight weeks after the passing of an effective resolution to wind up the Company voluntarily or the making of any order for the winding up of the Company to serve notice in writing on the Company appointing some householder residing in the neighbourhood of the office upon whom all summons, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served and in default to such nomination, the liquidator of the Company shall be at liberty on behalf of such member, to appoint some such person and service upon any such appointee by the Shareholder on the liquidator shall be deemed to be good personal service on such Shareholder for all purposes and where the

liquidator makes any such appointment he shall, with all convenient speed, given notice thereof to such Shareholder by advertisement in some daily newspaper circulating in the neighbourhood of the office or by a registered letter sent by post and addressed to such Shareholder at his address as registered in the register and such notice shall be deemed to be served on the day on which the advertisement appears or the letter would be delivered in the ordinary course of the post. The provision of this Article does not prejudice the right of the liquidator of the Company to serve any notice or other document in any other manner prescribed by these Articles.

(g) **Shareholders to notify address in India**

Each registered Shareholder shall from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

(h) **Service on Shareholders having no Registered Address**

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

(i) **Service on Persons Acquiring Shares on Death or Insolvency of Shareholders**

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

(j) **Notice by advertisement**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

54. KEEPING OF REGISTERS AND INSPECTION

(a) **Registers, etc. to be maintained by the Company:**

The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act:

A Register of Member indicating separately for each class of Equity Shares held by each Shareholder residing in or outside India and a Register of any other security holders.

The Company shall also be entitled to keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders or beneficial owners residing outside India.

The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

(b) Supply of copies of Registers:

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

(c) Inspection of Registers:

The register of charges, register of investments, register of shareholders and all other statutory registers as may be required to be maintained under the Act, books of accounts and the minutes of the meeting of the Board and Shareholders shall be kept at the Registered Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines for inspection of any Shareholder without any charge. Such registers as permitted under the Act shall be allowed to be inspected by any other person on payment of Rs.50/- (Rupees Fifty only) per document for each such document inspected. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the company may charge a fee which shall not exceed Rs.10/- (Rupees Ten) per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

(d) When Registers of Shareholders may be closed:

The Company, after giving not less than seven days, previous notice by the advertisement in some newspapers circulating in the district in which the office is situated close the Register of Members for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

55. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

56. CHARGE OF UNCALLED CAPITAL

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the person in whose favour such charge is executed.

57. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP

- (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 shareholders, 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 Shareholders or different classes of Shareholders.

58. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION

- (a) The Shareholders shall vote for all the Equity Shares owned or held on record by such Shareholders at any Annual or Extraordinary General Meeting of the Company in accordance with these Articles.
- (b) The Shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.
- (c) The Articles of the Company shall be amended only by way of a Special Resolution.

59. POWER OF THE DIRECTORS

Subject to Section 179 of the Act hereof, the directors shall have the right to delegate any of their powers to such managers, agents or other persons as they may deem fit and may at their own discretion revoke such powers.

The directors shall have powers for the engagement and dismissal of managers, engineers, clerks, workers and assistants and shall have power of general direction, management and superintendence of the business of the Company with full powers to do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company, and to make and sign all such contracts and to draw and accept on behalf of the Company all such bills of exchanges, hundies, cheques, drafts and other government papers and instruments that shall be necessary, proper or expedient, except only such of them as by the Act or by these presents are expressly directed to be exercised by shareholders in the general meeting.

60. SECRECY

Without prejudice to the rights of the Investors and the Investor directors, every manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of account with individuals 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 require to do so by the Directors or by any General Meeting or by the law of the country and except so far as may be necessary in order to comply with any of the

provision in these presents and the provisions of the Act. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the Company's affair.

61. OPERATION OF BANK ACCOUNTS

The Board shall have the power to open bank accounts, to sign cheques on behalf of the Company and operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorize any other person to exercise such powers.

62. INDEMNITY

Subject to provisions of Section 197 of the Act, the Chairman, Directors, Auditors, Managing Directors and other officer for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs and executors, shall be indemnified out of the assets and funds of the Company from or against all bonafide suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or about the execution of their duties in their respective offices except those done through their wilful neglects or defaults of any other officer or trustee.

63. THE SEAL

- (i) The Board shall provide for the safe custody of the seal of the Company.
- (ii) The Board shall provide a Common Seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof.
- (iii) The seal of the Company shall not be affixed to any instrument by the directors or Company Secretary of the Company unless the resolution is passed by the Board for giving authority to such directors and Company Secretary to affix seal on the documents or instruments of the Company without further approval.

Further, such seal shall be affixed in the presence of any one of the Directors and of the Company Secretary or such other person as the Board may appoint for the purpose; and that Director and the Company Secretary or other aforesaid person shall sign every instrument to which the Seal of the Company is so affixed in his presence. The share certificate will, however, be signed and sealed in accordance with the Act and the Companies (Share Capital and Debenture) Rules, 2014. Provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any regularity touching the authority of the Board to issue the same.

64. BUYBACK OF SHARES

Subject to the provisions of Sections 68, 69 and 70 of the Act and subject to requirement of applicable buy-back regulations/rules made by central government / SEBI in this regard

as may be modified from time to time, the Company may purchase its own Equity Shares or other Securities.

65. CANCELLATION OF FORFEITED SHARES

The Company may, by a resolution of the Board, decide not to reissue any forfeited shares in the Company. In such a case, the Board may cancel the forfeited shares, with or without canceling them from the authorised share capital, and transfer the amount received on such shares to appropriate account head. In case the Company decides to diminish the amount of Company's share capital by the nominal value of forfeited shares cancelled, it shall be done in accordance with the provisions of the Act as applicable.

66. CAPITALISATION OF PROFITS

- (i) The Company in general meeting may, upon the recommendation of the Board, resolve—
 - (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of 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 Article 68 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 68 (iii), either in or towards—
 - (a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (b) paying up in full, unissued shares 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-Article (a) and partly in that specified in sub-Article (b);
- (iii) A securities premium account and a capital redemption 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;
- (iv) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
- (v) Whenever such a resolution as aforesaid shall have been passed, the Board shall
 - (a) make all appropriations and applications of the undivided profits resolved to

be capitalised thereby, and all allotments and issues of fully paid shares if any; and

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

(vi) The Board shall have power—

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

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

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

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

Name, Address, Description and Occupation of each Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Signature of Witness and his name, address, description and occupation
Chandru Lachmandas Raheja S/o Lachmandas Sevaram Raheja Raheja House, Pali Hill, Bandra, Bombay- 400 050 Business	2(Two)	Sd/-	Sd/ Mr. Shantilal Dand, S/o Late Lalji Dand, Company Secretaries, Co-op Insurance Building, 3 rd Floor, Sir P. M. Road, Bombay-400 001.
Suresh Lachmandas Raheja S/o Lachmandas Raheja Raheja House, Pali Hill, Bandra, Bombay- 400 050 Business	2(Two)	Sd/-	
Total	4(Four) <u>Equity Shares</u>		

Bombay dated this 16th day of December, 1985.