

**MEMORANDUM & ARTICLES
OF
ASSOCIATION**



RADICO KHAITAN LIMITED

U25941UP2003PTC027278

CERTIFICATE OF REGISTRATION OF THE ORDER OF BIFR CONFIRMING
TRANSFER OF THE REGISTERED OFFICE FROM ONE STATE TO ANOTHER
(Section 18(3) of Companies Act, 1956)

It is hereby certified that in terms of the Board for Industrial and Financial Reconstruction (BIFR), Bench II, New Delhi order dated 30.12.2002 (in case No.114/90 of Abhishek Cements Ltd.) Radico Khaitan Ltd.(previous registration No.20-4656) has been merged with the said Abhishek Cements Ltd.(registration No.10-5962 registered with Registrar of Companies, Madhya Pradesh and Chhattisgarh, Gwalior). Pursuant to the said BIFR order the name of Abhishek Cements Ltd. changed to Radico Khaitan Ltd. by RoC, Gwalior and registered office of the said company, also transferred to the State of Uttar Pradesh vide his certificate dated 20.2.2003.

Accordingly, Radico Khaitan Ltd. is now registered with a new registration No.20-27278 having its registered office in the State of Uttar Pradesh.

I hereby certify that a certified copy of the said order alongwith certificate dated 20.2.2003 of RoC, Gwalior has this day been registered/taken on record.

Given under my hand at..KANPUR.....this.....21ST.....
day of..FEBRUARY.....TWO THOUSAND THREE.



(N.K. BHOLA)
(N.K. BHOLA) 21.2.2003
Registrar of Companies,
UP & Uttaranchal,
Kanpur.

Certified True Copy
For Radico Khaitan Limited

(Dinesh Kumar Gupta)
Dinesh Kumar Gupta
Sr. Vice President-Legal &
Company Secretary

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

COMPANY No. 16509

**In the Office of the Registrar of Companies, DELHI & HARYANA
(Under the Companies Act, 1956 (1 of 1956)**

In the Matter of ABHISHEK CEMENTS PRIVATE LIMITED

I hereby certify that Abhishek Cements Private Limited which was originally incorporated on 21st day of July, 1983, under the Companies Act, 1956 and under the name Abhishek Cements Private Limited, having duly passed the necessary special resolution on 3-9-1983 in terms of Section 21 of the Companies Act, 1956 that the name of the said company is this day changed to Abhishek Cements Limited, and this Certificate is issued pursuant to Section 23 (1) of the said Act.

**Given under my hand at NEW DELHI this 21st day of January,
(One thousand Nine Hundred & EIGHTY-FOUR)**

SEAL

**Sd/-
(B. M. ANAND)
Asstt. Registrar of Companies
Delhi & Haryana.**

**Certified True Copy
For Radico Khaitan Limited**

**Dinesh Kumar Gupta
Sr. Vice President-Legal &
Company Secretary**

Company No.10-5962

TO WHOMSOEVER IT MAY CONCERN

Certified that pursuant to the order dated 30.12.2002 passed by Board for Industrial & Financial Reconstruction (B.I.F.R.) New Delhi in case No. 114/90 regarding Reverse Merger of-

M/s. RADICO KHAITAN LIMITED

With

M/s. ABHISHEK CEMENTS LIMITED,

the name of M/s. Abhishek Cements Ltd. has been changed to M/s. Radico Khaitan Ltd. with an authorised share capital of Rs. 35 Crores divided into 3,40,00,000 equity shares of Rs. 10 each and 1,00,000- 15% cumulative Redeemable preference shares of Rs. 100/- each. Further, the registered office of the company stands situated at Rampur, Uttar Pradesh.

Given under my hand at GWALIOR this 20th day of FEBRUARY, TWO THOUSAND THREE.




(NARESH SINGH)
REGISTRAR OF COMPANIES,
C.P. & CENTRAL PROVINCES, GWALIOR.



Certified True Copy
For Radico Khaitan Limited


Dinesh Kumar Gupta
Sr. Vice President-Legal &
Company Secretary



राष्ट्र • चार्ट • पार •

Form I. R.

विद्यमान का प्रमाण-पत्र

Certificate of Incorporation

सं० 16189 का.सं. 1905

No. 16189 of 19 83-84

मैं एतद् द्वारा प्रमाणित करता हूँ कि प्रा.सं. अभिशेक सीमेंट्स प्राइवेट लिमिटेड

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन नियमित की गई है और यह कम्पनी परिचीमित है।

I hereby certify that ABHISHEK CEMENTS PRIVATE LIMITED

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

मेरे हस्ताक्षर से प्रा.सं. 30 अगस्त 1905 को दिया गया।

Given under my hand at NEW DELHI the TWENTY-FIRST

day of JULY One thousand nine hundred and EIGHTY-THREE

Handwritten signature and date 21/7/83



सुरज कपूर
कम्पनी रजिस्ट्रार
SOORAJ KAPOOR
Registrar of Companies
DELHI & HARYANA

Certified True Copy
For Radico Khaitan Limited

Dinesh Kumar Gupta
Sr. Vice President-Legal &
Company Secretary

MEMORANDUM OF ASSOCIATION
OF
RADICO KHAITAN LIMITED
(Formerly Abhishek Cements Limited)

- I. The name of the Company is **RADICO KHAITAN LIMITED**.
- II. The Registered Office of the Company will be situated in the State of **UTTAR PRADESH**.
- III. The Objects for which the Company is established are : -

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

1. To carry on all or any of the business of manufacturers of and dealers and workers in Cement, Cement Machineries, line plasters, whiting clay, gravel sand, minerals, earth, coke, stone, and buiders requistes.
2. To purchase, hold, acquire mines, mining lease, licences, rights, claims and metaliferous lands, real estate, and to explore, search, work, exercise, develop, treat refine, and to turn to account ones, all sorts of minerals, working deposits, sub soil minerals and to crush, win, set, quarry, smelt, calcine, refine, dress, preserve, manufacture and prepare for market, Ore, metal and mineral substances of all kinds, and to carry on metallurgical operations in all its branches.
3. To carry on the business of manufacturers, distillers and refiners of and dealers in methylated spirit, rectified spirit, power alcohol, molasses, sugar or any other material.
4. To carry on the business of manufacturers, producing, processing, ageing, blending, rectifying, compounding, bottling, warehousing, storing, importing, exporting, buying, selling, distributing and dealing in all kinds of alcoholic and non-alcoholic beverages, including wines and spirits and all ingredients and byproducts thereof.
5. To carry on business as brewers, distillers, manufacturers, traders, distributors, marketers, buyers and sellers, merchants importers and dealers in wine, beer, ale, porter, stout, spirits, sugarcane juices, molasses, areated waters, liquors, and alcohol of all kinds whether intoxicating or not.
6. To carry on the business of wines and spirit makers (beverages), brewers and distillers, traders, exporters, distributors, marketers, buyers and sellers and dealers of all kinds and types of wines, spirits and to sell or otherwise trade in all wines, spirits and alcoholic liquors and all alcoholic beverages.

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

1. To purchase or otherwise acquire, own, import, export, sell, and deal in all materials, substances, appliances, machines, cominiers and other articles and apparatus and things capable of being used in any of the aforesaid businesses and to own, lease and otherwise acquire and use facilities of whatever kind as may be convenient or useful or conducive to the effective working of the said business or any part thereof.
2. To acquire, build, construct, alter, maintain, enlarge, pull down, remove or replace, and to work, manage and control any buildings, offices, factories, mills, shops, machinery, engines, roadways, tramways,

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

3. To aid pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement or surmounting of industrial or troubles or the promotion of industry or trade subject to Section: 293A of Companies Act, 1956.
4. To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire for any estate or interest, whatsoever and to hold, develop, work cultivate, deal with and turn to account, concessions grants, develop, work cultivate, deal with and turn to account, concessions, grants, decrees, licences, privileges, claims, options, leases, property, real or personal or rights or powers of any kind which may appear to be necessary or convenient for the business of the Company.
5. To distribute among the members in specie or otherwise any property of the company, or any proceeds of sale or disposal of any property of the company, in the event of its winding up but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
6. To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose off the whole or any part of the undertaking, property, assets, rights and effects of the company for such considerations as may be thought fit and in particular for stock shares whether fully or partly paid up, or securities of any other company having objects in whole or in part similar to those of the company.
7. To pay any rights or property acquired by the Company and to remunerate any person, firm or body corporate rendering services to the company either by cash payment or by allotment to him or them of shares or securities of the Company as paid up in full or in part or otherwise.
8. To do all or any of the above things as principals, agents, trustees, contractors, or otherwise and either alone or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.
9. To undertake financial obligations, transactions and operations of all kinds connected with the main objects or business of the Company.
10. To guarantee the performance of any contract or obligation of and the payment of or dividends and interest on any stock, shares or securities of any company, corporation, firm or person in any case in which such guarantee may be considered directly or indirectly to further the objects of the Company.
11. To guarantee the payment of money unsecured or secured or payable under or in respect of promissory notes, bonds, debentures, debenture stock, contracts, mortgages, charges, obligations, instruments and securities of any company or of any authority, Supreme, Municipal, Local or otherwise or of any persons whomsoever, whether incorporated or not the attainment of main objects of the company.
12. To pay for preliminary expenses of the Company and takeover preincorporation contracts, if any.
13. To invest any moneys of the company not immediately required in such investments (other than shares or stock in the Company) as may be thought proper and to hold, sell or otherwise deal with such investments as may be necessary for the purpose of the Company.
14. Subject to the provisions of Section 58A and Section 292 of the Companies Act, 1956 and the regulations made thereunder and the directions issued by the Bank of India, to receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture stock (perpetual or otherwise) and to secure the payment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present or future) including its uncalled capital and by a similar mortgage, charge or lien, to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company.

15. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, debentures and other negotiable or transferable instruments or securities.
16. To apply for purchase or otherwise acquire and protect, prolong and renew in any part of the world, any patents, patent rights, brevets convention, trade marks, designs, licences, protections, concessions and the like conferring any exclusive or non-exclusive or limited right to their use or of any secret or other information as to any invention, process or privilege which may seem, capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop or grant licences or privileges in respect of or otherwise turn to account, the property rights and information so acquired.
17. To expend money in experimenting upon and testing and in improving, or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.
18. To establish, provide, maintain and conduct research and other laboratories, training colleges, schools and other institutions for the training, education and instruction of students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith as may be necessary in connection with the main objects or business of the Company.
19. To acquire and undertake all or any part of the business, property and liabilities of any persons or company carrying on or proposing to carry on any business which this company is authorised to carry on or possessed of property suitable for the purposes of the Company.
20. To procure the registration or recognition of the Company in or under the laws of any place outside India.
21. To form, incorporate, float or promote any company or companies whether in India or abroad having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the Company or any other object or objects which in the opinion of the Company could directly or indirectly assist the company in the management of the business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or Company in any manner it shall think fit for service rendered in the formation or promotion of the company or the conduct of its business or in or about the promotion of any other company in which the Company may have an interest or in the issue of any securities of the Company or any Company promoted by this Company.
22. Subject to the provisions of the Companies Act, 1956, to amalgamate or to enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture or reciprocal concession with any person or persons or company or companies carrying on or engaged in any business or transactions which this Company is authorised to carry on.
23. To enter into any arrangements and take all necessary or proper steps with Governments or with other authorities, Supreme, National, Local, Municipal or otherwise or any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of carrying out the objects of the company or effecting any modification in the constitution of the company or furthering the interests of its members and to oppose any such steps taken by any other company, firm or person which may be considered directly or indirectly to prejudice the interest of the Company or its members and to assist the promotion whether directly or indirectly of any legislation which may seem advantageous to the Company and to obtain from any such Government, authority and company and charters, contracts, decrees, rights, grants, loans, privileges or concessions which the company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, charters, decrees, rights, privileges or concessions.
24. To adopt such means of making known the product of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.

25. To undertake and execute any trust the undertaking of which may seem to the Company desirable, and either gratuitously, or otherwise and vest any real or personal property, rights or interest acquired by or for the benefit of the Company, and with or without any declared trust in favour of the Company, to accept gifts and to give gifts and donations, to create trusts for the welfare of employees, members, directors and/or their dependants, heirs and children and for any deserving object and for other persons.
26. To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade or commerce generally and particularly with the trade, including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by part debt strike combination, fire, accidents or otherwise or for the benefit of any clerks workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependants and whether or not in common with other persons or classes of persons and in particular of friendly co-operative and other societies, reading rooms, libraries, educational and charitable institutions, dining and recreation rooms, churches, chapels, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscription for any purpose whatsoever, including to national and other funds and institutions.
27. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the owing of donation, gratuities pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at any time Directors or officers of the Company as aforesaid and the wives, widows, families and dependants of any such persons, and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interest and well being of the Company or of any such other company as aforesaid, and make payments to or towards the insurance of any such persons as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
28. To do all such other things as may be incidental or conducive to the attainment of the above objects or any of them.
29. To buy, sell, repair, improve, exchange, let out on hire, import, export and deal in all factories, products, materials, substances, articles and things commonly dealt in by persons engaged in any such business and to render marketable and deal in all products of nature residual and by-products incidental to or obtained in any of the business carried on by the company.
30. To open current, cash credit, overdraft, or other bank accounts and to draw, make, accept, endorse, discount and execute all kinds of negotiable and transferable instruments and securities.
31. To take or otherwise acquire and hold shares in any other Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
32. To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution settlement, or surmounting of industrial or labour problems or troubles of the promotion of industry or trade.
33. To remunerate any persons or Company for services rendered or to be rendered, in placing or assisting to place, or guaranteeing the placing of, any shares in the Company's capital or any debentures, debenture-stock or other securities of the Company or in about the formation or promotion of the Company or the acquisition of property by the Company or the conduct of its business.
34. To acquire by purchase, lease, exchange or otherwise, lands, buildings and hereditaments of any tenure or description, and any estate or interests therein, and any rights over or connected with land.
35. To acquire, construct and operate distilleries, chemical works, pharmaceutical works, laboratories, mills and all other forms of works, machinery and appliances necessary for the fulfillment of the objects of the Company.

(C) OTHER OBJECTS :

1. To carry on business of consultants and advisers on problems relating to the management, administration and organisation of industry and business and the training of personnel for industry and business to carry on all or any of the business of industrial, and business personnel, consultants including rendering of advice and services in business strategy corporate planning, project evaluation, feasibility studies, equipment management, product development, inventory control and market research for manufacturing, transport, service and other peripheral industries and to advise upon the means and methods for extending, developing and improving all types of business or industries and all systems or processes relating to production, storage, marketing, distribution and sale of goods and/or relating to the rendering of service.
2. To engage in research and provide technical know how into all aspects of personnel industrial and business management and administration, to collect, prepare and distribute information and statistics relating to any type of business or industry and to provide, propose and carry out such methods, procedures and measures.
3. To act as agents in carrying on any business concerns and undertaking and to employ experts to investigate and examine into the condition, management prospects, value and circumstances, of any business, concerns and undertakings and generally of any assets, property or rights of any kind and to carry on all or any of the business of mechanical, electrical and general engineers, manufacturers specialities of every description.
4. To carry on the business as advertising agents travelling agents, transport agents, brokers, underwriters and estate agents.
5. To carry on the business of manufacturers of and dealers in all kinds and classes of paper and pulp including sulphite and sulphite wood pulp, mechanical pulp and soda pulp and papers including transparent, vellum, writing, printing, glazed, absorbent, newsprinting, wrapping, tissue, cover, blotting, fitter, bank or bond, badami, brown, buff or coloured lines, azure laid, grass or water proof, hand made parchment, drawing, craft, carton, envelope, and of and strew duplex and triplex boards and all kinds of articles in the manufacture of which in any form of pulp, or board is used and also to deal in or manufacture artificial leather of all varieties, grades and colour.
6. To carry on the business of as traders, agents, suppliers, and commission agents, of productions and commodities and materials in any form or shape manufactured or supplied by any company, firm, association of persons, body, whether incorporated or not, individuals, government, semi-government, or any local authority.
7. To carry on the business of manufacturers of and dealers in automobile parts, accessories, ancillaries, stores and spares and to engineer, develop, design, assemble, manufacture, produce, import and export, buy, sell and otherwise deal in industrial mining, agricultural and other machines and all types of tools, plants, equipments, instruments appliances and hardware of all kinds, general fittings, accessories and appliances of all description made of metal, alloy, glass, synthetic and other fibres, chemicals and PVC compounds and plastics.
8. To carry on the business of electrical engineers, electricians, engineers, contractors, manufacturers, constructors, suppliers of and dealers in electrical and other appliances, cables, wire-lines, dry-cells, accumulators, lamps and works.
9. To manufacture and/or produce and/or otherwise engage in the manufacture or production of or dealing in electrical kilowatt hour meters, magnets, electromagnets, power cables, industrial jewels, ammeters, volumeters and other types of measuring instruments, electrical or non-electrical, die, castings, screws, nuts and bolts, transformers of all types, circuit-breakers, punched card manufacturers, computers and calculators and their accessories, hoists, elevators, trolleys and coaches, winches, power generators, magnetic separators, winders, air compression, welders, fans of all types, switches and motors of all types, drills, electric grinders, air conditioners, refrigerators, washing machines, television and wireless apparatus including radio receivers and transmitters, electronic instruments, diodes, transistors and allied items.

10. To carry on the business of mechanical engineers, machinists, fitters, millwrights, founders, wire drawers, tube makers, metallurgists, saddlers, galvanizers, Japanese, annealers.
11. To carry on a general business of providing comparative information about the characteristics, interest or other attributes of individuals, communities, organisations, countries or other social units and of any articles or commodities or economic trends or persons to design, invent, prepare, own, make use of, lease, sell or otherwise dispose of and, to deal in and with computers, data processing machines, tapes, cards, memory equipment or any other equipment and materials of every kind and description useful in connection with this business to license or otherwise authorise others to engage in the foregoing, and to engage in research and development in areas related to or involving the foregoing.
12. To grow, take on lease, acquire, develop, deal in plantations and forests, and to process in all aspects timber, wood, plywood and all kinds of wood and to make products wherein wood is a constituent part and to design, develop, fabricate any products involving the substantial use of wood.
13. To manufacture and process petroleum and petro-chemicals and their by-products.
14. To manufacture, produce, refine, prepare, purchase, store, sell and to trade and deal in all kinds of minerals oils and all products and by-products thereof including wax, paraffin, soap, paint, varnish, lubricants, illuminant and butter substitutes, oil, cloth, candles, glycerine stearine.
15. To carry on business of manufacturers and dealers, importers and exporters of natural and synthetic resins, moulding, powders, adhesives and cements, oil paints, distempers, cellular paints, colours, varnishes, enamels, gold and silver leaf enamels, spirits.
16. To carry on development and research work and to manufacture, calcine, refine, process, import, export, buy, sell and deal in petroleum coke, calcined coke and coal tar, anthracite coal and to draw out, manufacture and deal in coal tar, carbon products and other by-products as may be possible and to utilise waste gases for industrial uses and purposes.
17. To manufacture, prepare, import, export, buy, sell and otherwise deal in all kinds of glass, glassware, glass goods, mirrors, looking glass, scientific glass, wares, sheet and plate glass, bangles, false, pearls, bottles, phials and all kinds of articles prepared of glass and to carry on the business of glass patent solvers, glass embossers, ecclesiastical lead workers, tablet, show card and show case manufacturers.
18. To manufacture, produce, assemble, distribute, stock, barter, exchange, pledge, repair, use, buy, sell, import and export and otherwise deal in all types of scientific instruments and their accessories, testing instruments, process control instruments, electrical and electronic instruments, nautical, aeronautical and survey instruments, optical and ophthalmic instruments, general laboratory medical and surgical instruments, apparatuses, scientific laboratory, glassware, photographic, chemical and other instruments, apparatuses, appliances, equipments, devices, contrivances, their accessories and components.
19. To engineer, develop, design, assemble, manufacture, produce, import, export, buy, sell, operate, run, let on hire and otherwise deal in all kinds of earth moving and agricultural machines, petrol and diesel engines, tools plants, tractors, equipments, spares, appliances, implements, accessories, mobile or otherwise and heavy vehicles and machines for agricultural and land reclamation, drainage irrigation waterworks, engineering, forest clearing, pumping and other purposes spraying machines, vehicles and equipments, whether mobile or otherwise and mobile workshops and garage equipments for repair and service station and tubewells, pumps, floating or otherwise, motors, and irrigation machinery and transportation equipment for movement of its products or stores, machines or personnel and as general purpose freight carriers.
20. To undertake the business of distribution and application of chemicals fertilizers and pesticides, aerial or otherwise.
21. To construct a cinematograph theatre, and other building and works and conveniences for the purpose thereof and to manage, maintain and carry on the said theatre and to let out other buildings when so

erected or constructed; to carry on the business of proprietors and managers of theatre (cinemas, picture places and concert halls) and to provide for the production, representation, and performance (whether by mechanical means or otherwise) of operas, stage plays, operettas, burlesques, vaudevilles, revues ballets, pantomimes, spectacular pieces, promenade, and other concerts and other musical and dramatic performance and entertainments; to manufacture films and other appliances and machines in connection with mechanical reproduction or transmission of picturers, movement, music and sounds, and to organise and conduct theatrical production and entertainments of all kinds.

22. To carry on business as tourists, agents and contractors, and to facilitate travelling and to provide conveniences for tourists and travellers and promote the provision of conveniences of all kinds in the way of through tickets, circular tickets, sleeping cars or berths reserved places, hotel and lodging accomodation, guides, safe deposits, enquiry bureaus, libraries, lavatories, reading room, baggage transport and otherwise.
23. To carry on business of hotel, restaurant, cafe, tavern, beer house, restaurant room boarding and lodging house keepers, licensed victualiers, wine, beer and spirit merchant, maltsters, manufacturers of aerated minerals and artificial, waters and other drinks purveyors, caterers for public amusements, generally coach cab, carriage and motorcar proprietors, livery, staple and garage keepers, obmasters, importers and borkers of food, live and dead stock, hairdressers, perfumers, chemists, proprietors of clubs baths, dressing room, laundries, reading writing and newspaper rooms libraries grounds and places of amusements and recreation, sport, entertainment and instruction of all kinds, tobacco and cigar merchants, agents for railways, road, air and shipping companies and carriers.
24. To carry on all or any the business of constructional engineers, architects, builders, contractors, electricians, wood workers and paviours and to acquire, develop buy, sell, real estate multi-storeyed or other building and group housing schemes.
25. To purchase, sell, develop, take in exchange, or on lease, hire or, otherwise acquire, whether for investment or sale, or working the same, any real or personal estate, including lands, mines, business buildings, factories, mills, houses, cottages, shops, depots, warehouses, machinery, plant, stock in trade, mineral rights, concessions, privileges, licences, easement or interest in or with respect to such property in consideration for gross sum or rent or partly in one way and partly in the other or for any other consideration to carry on business as proprietor of flats and buildings and to let on lease or otherwise apartments therein, and to provide for the conveniences commonly provided in flats, suites and residential and business quarters.
26. To carry on all or any of the business of transport, cartage and haulage contractors, garage proprietors, owners and charters of road vehicles, air crafts, ship, tugs, barge, and boats of every description, lighterman, carriers of goods and passengers by road, rail, water or air carmen, cartage contractors, stevedores, wharfingers, cargo superintendents, packers, hauliers warehousemen, storekeepers and jobmasters.
27. To carry on the business of farming, horticulture, floriculture, sericulture, dairies, cultivators of all kinds of food grains, seeds, fruits, proprietors of orchards and traders, exporters, dealers and sellers of the products of farming, dairy, horticulture, floriculture, sericulture, and pisciculture and fishing and manufacturers of drinks alcoholic or otherwise, inducing beverages produced from such products or otherwise, to carry on the business of cultivators, growers, manufacturers, millers, grinders, rollers, processors, cold stores, canners and preservers, and dealers of food grains and other agricultural, dairy, horticultural and poultry products, fruits, vegetables, herbs, medicines flowers, drinks, fluids, gas and fresh, and preservables, products and to extract bye-products and derivatives, whether edibles pharmaceuticals medicines or of any other kind and food preparations of every kind and description and generally to carry on the business of manufacturer of and trading in preserved, dehydrated, canned or converted agricultural products, fruits and vegetables, provisions, foods, dairy and poultry products and articles and other derivatives of all kinds and descriptions and to set up and run machinery for processing and preserving the same.
28. To establish experimental farms and research stations any where in India for conducting experiments, test and research for developing better qualities of food grains and agricultural products and for

developing milch strain in cattle by cross breeding or otherwise, and increasing egg laying capacity in poultry and also for finding outways and means of improving other agricultural crops, produce, seeds, fodder crops and cattle feed of all kinds.

29. To manufacture, process, chemically, electrically or by any other means, refine, extract, hydrolize mix deodorise, grind bleach, hydrogenate, buy, sell, import, export, produce or otherwise deal in, seeds and agricultural products, food, food products, dietetic products and preparations, patent drugs and proprietary articles of all kinds, whether basic or derived and in all forms and in particular protein food of all kinds.
30. To buy, sell and deal in foreign exchange, gold, silver, cotton, jute, hessian, oils, oil seeds and commodities of all kinds, agricultural or otherwise finished or unfinished and to take delivery and hold them as permitted under the law from time to time in force and to speculate in shares and securities.
31. To buy, sell, design, manufacture, process and deal in any product relating to optics, including fore glass optics, lenses, and laser equipment.
32. To erect, build, maintain and let out on hire or rent, cold storage rooms and provide for refrigeration and to carry on the undertake, storage, packing, removal, carrying, delivery, purchases, sales and exchange of fruits and vegetables including potatoes and all kinds of agricultural and other goods and generally to carry on the business of cold storage Company in all its branches.
33. To carry on all or any of the business of manufacturers, buyers, sellers, exporters, importers, distributors, consultants, engineers for all kinds and classes of P.V.C. Sponged and Plain Wall Paper board and pulp including Sulphite & Sulphate Wood with mechanical pulp and soda Pulp and papers including transparent vellum, writing printing, gazed, poster, craft, packaging, tissue, absorbent newsprinting, wrapping, tissue, cover, blotting, filter bank or bond, artificial leather, P.V.C. Vinyl sheets, hand made parchment, craining, craft, carbon, envelope and of straw duplex and triples board.
34. To acquire from or sell to any person or body corporate or unincorporate whether in India or elsewhere technical and managerial information, know-how processes, engineering, manufacturing, operating and commercial data, plans, layouts and blue prints useful for the design, erection and operation of any plant or process of manufacture and to acquire and grant licence or other rights and benefits in the field of chemicals, fertilizers and other agricultural inputs, and to render any kind of management and consultancy service.
35. To carry on business as general, commercial, colour craft and process printers, lithographers, photographers, engravers, diemakers, publishers of newspapers, books, magazines art and musical production, plant and chart printers press and overusing agents, contractors, ink die, colour and chemical manufacturers, manufactures of metal and other signs, manufacturers and dealers of containers and components, and machinery manufacturers and printing machinery, type and all printers, suppliers, book binders, and stationers and dealers in all kinds of supplies and equipment for mercantile and other uses.
36. To promote, establish, acquire and run or otherwise carry on the business of any plastic or rubber industry or business of manufacture of materials for use in such industries or business such as was, paper, bakelite, plywood, calluloid, products, chemicals of all sorts and other articles or things and similar or allied products or process and to sell, purchase or otherwise acquire or deal in materials or things in connection with such trade and industry.
37. To carry on the business of a company established with the object of financing industrial or other enterprises within the meaning of Section 370 of the Companies Act, 1956.
38. To buy, sell and deal in shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures debenture stocks, bonds, obligations and securities, issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local, or otherwise, whether at home or abroad, to acquire any such shares, stocks, debenture stocks, 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 for subscription, thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof; to issue shares, stocks, debentures, debenture stocks, bonds, obligations and securities of all kinds and to frame, constitute and secure the same, as may seem expedient with full power to make same transferable by delivery or by instrument of transfer or otherwise, and either, perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the undertaking of the company or upon any specific property and rights present and future of the Company (including, if thought fit, uncalled capital).

39. To manufacture, export and import, sell and to carry on business in tyres, and tubes and vehicles.
40. To carry on business as importers and exporters of goods or merchandise of any description or to act as shippers, commission agents, forwarding and cleaning agents.
41. To carry on all or any of the businesses as buyers, sellers, importers, exporters, distributors, agents, brokers, stockists, commission agents, auctioneers and various, and dealers of postage stamps, investment portfolios and related philatelic materials for collection and to process loose stamps into made up display packers for sale and services related therewith.
42. To manufacture Stamp albums, Stock books tweezers, Watermark detectors, Stamps hinges, Colour guide, perforation gauge, stamp mounts and other related philatelic accessories.
43. To carry on, in any mode, the business of storekeepers in all its branches and in particular to buy, sell, manufacture and deal in goods, stores, consumable articles, chattels, and effects of all kinds, both wholesale or retail.
44. To purchase, acquire, take on lease or in exchange or in any other lawful manner any land, piece of land, plot of land, roof or floor of any building(s), buildings, structures and to construct, erect, build, repair, re-model demolish, develop, improve and maintain buildings, residential and commercial, corporate offices, schools, places of worship, highways, roads, paths, streets, sideways, courts, pavements, bridges, flyovers, sidings, tunnels and to do similar other construction, levelling or paving work and prepare lay-out thereon or buildings of any tenure or description or connected therewith and to equip the same or part thereof with all or any amenities or conveniences, drainage, electric, water facilities, telephonic, television, internet or other telecommunication installations and to deal with the same in any manner whatsoever and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants, leasees and others which may seem calculated directly or indirectly to advance the interest of the Company.
45. To lease, finance or assist in financing the sale of goods, articles or commodities of all and every kind of description by way of hire purchase or deferred payment or similar transactions and to institute, enter into, carry on, subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description, except real estate including but not limiting to all types of individual and office plant, equipment, machinery, vehicles & building & real estate and consumer goods upon any terms whatsoever, to acquire and discount hire purchase or other agreements or any rights thereunder (whether proprietary or contractual) and to carry on business and to act as financiers.
46. To enter into arrangements with companies, firms and persons for promoting and increasing the manufacture, sale and purchase and maintenance of goods, articles or commodities of all and every kind and description, either by buying, selling, leasing, letting on hire, hire purchase or easy payment systems, or by financing or assisting such other companies, firms or persons to do all or any of such last mentioned acts, transactions and things and in such manner as may be necessary or expedient and in connection with or for any of these purposes, to purchase agreements, lend money, give guarantees or security or otherwise finance or assist all or such purposes on such terms and in such manner as may be desirable or expedient.
47. To carry on all or any of the business of transport, cartage and haulage contractors, garage proprietors,

owners and charters of road vehicles, air crafts, ship, tugs, bargs and boats of every description, lighterman, carriers of goods and passengers by road, rail, water or air carmen, cartage, contractors, stevedores, whar fingers, cargo superintendents, packers, hauliers, warehousemen, store keepers and job masters.

48. To establish experimental farms and research stations anywhere in India for conducting experiments, test and research for developing better qualities of food grains and agricultural products and for developing milch strain in cattle by cross breeding or otherwise and increasing egg laying capacity in poultry and also for finding out ways and means of improving other agricultural crops, produce, seeds, fodder crops and cattle feed of all kinds.
49. To manufacture, process, chemically, electrically or by any other means, refine, extract, hydrolize, manipulate, mix, deodorise, grind, bleach, hydrogenate, buy, sell, import, export or otherwise deal in food and food products, dietetic products and preparations, patent drugs and proprietary articles of all kinds, whether basic or derived and in all forms and in particular protein food of all kinds.
50. To purchase, hold acquire, mines, mining lease, licenses, rights, claims and metalliferous lands, real estate and to explore, search, work, exercise, develop, treat refine and to turn to account ores, all sorts of minerals, working deposits, sub soil minerals and to crush, win, set, quarry, smelt, calcine, refine, dress, preserve, manufacture and prepare for market, One metal and mineral sbstances of all kinds and to carry on metallurgical operations in all its branches.
51. To carry on the business of manufacturers of and buyers, sellers, importers, exporters, processors, producers, developers, stockists and dealers in all kinds of plastics, rubber, chemicals & allied materials including but not limiting to high density polythylene and polypropylene bags & packages.
52. To develop, produce, manufacture, use buy or othwise acquire, sell, distribute, deal in and dispose of all alkalies and acids, gases, compounds, fertilizers, organic and inorganic chemicals.
53. To carry on all or any of the business of manufacturers, processors, importers, exporters, of and dealers in all kinds of ferrous and non-ferrous materials meant for any industrial or non industrial use whatsoever and to carry on the business in cold or hot rolling, re-rollings, edge milling, sheeting, stamping, pressing, extruding, forging, drawing, flatterring, straightening, heat treatment of all kinds of steel and other metals or other kind of strips, sheets, falls, taper, wires, wire products, rods, plates and any other rediones, shapper or forms.
54. To carry on all or any of the business of manufacturers, exporters, importers of and dealers in all kinds and classes of paper and all kinds of materials used in the manufacture or treatment of apper and all kinds of articles in the manufacture of which in any form paper is used.
55. To carry on all or any of the business of manufacturing, Importing, exporting, assembling, maintaining, repairing, installing and dealing in electrical and electronic goods, appliances and apparatus of all kinds and every description and telecommunication requisites and supplies, equipment and stores of all kinds.
56. To carry on all or any the business of manufacturers, importers, exporters, refiners, converters of all types and kinds of minerals and products derived therefrom and more particularly any petro-products, chemicals and derivatives thereof.
57. To acquire from any person, firm or body corporate, in India or elsewhere, technical information, know-how process, engineering, manufacturing and operating data, plans, layouts and blueprints useful for the design, assembly, manufacture, erection and operation of equipment and plant required for any of the business of the Company and to acquire any grant or license and other rights and benefits in the foregoing matters and things.
58. To take part in the supervision and control purpose of the business or operations of any company or undertaking and for that purpose to appoint and remunerate any Directors, Trustees, Accountants or other experts and/or agents.

59. To buy or generate for the purpose of the business of the Company or, subject to applicable laws, for supply to others, steam, heat, light electricity, gas or other power or source of energy and to process, deal with or dispose off any by-products and to take all steps incidental or necessary in respect of the same.
60. To acquire, by purchase or on lease or otherwise, lands in India or elsewhere and to establish and equip factories, on such lands or on any of them or on any part or parts thereof as shall be considered expedient or convenient for the purpose of the Company.
61. To improve and develop any lands and properties whether belonging to the Company or not and to develop the resources thereof by clearing, draining, fencing, letting or otherwise, with power to advance money to other persons for any of the purposes aforesaid.
62. to sink wells and shafts, lay down pipes, construct, maintain and improve any tramways, telegraph lines, canals, reservoirs, watercourses, warehouses, sheds and other buildings and works calculated, directly or indirectly, to advance the interests of the company and to pay or contribute to the expense of constructing, maintaining and improving any such works.
63. To construct, carry out, maintain, improve, manage, work, control and superintend any hats, markets, reservoirs, waterworks, tanks, bridges and works in connection therewith, hydraulic works, electrical works and factories, coolies lines and houses and bustees, villages and other works and conveniences, which may seem, directly or indirectly, conducive to any of the objects of the company and to contribute to, subsidise or otherwise aid or take part in any such operations.
64. To carry on the business of banking in all its branches and departments, including the borrowing, raising or taking up money lending or advancing money on securities and property, the discounting, buying, selling and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, scrip and other instruments and securities, whether transferable or negotiable or not, the granting and issuing of letters of credit and circular notes, the buying, selling and dealing with stocks, funds, shares, debentures, debenturestock, bonds, obligations and other securities.
65. To lend money, either with or without security, and generally to such persons and upon such terms and conditions as the Company may think fit.
66. To carry on the business of general manufacturers and to manufacture, buy, sell and deal in apparatus, machinery, materials and articles of all kinds.
67. To carry on business as merchants, traders, commission agents, buying and selling agents, brokers, adatis, importers, buyers, sellers, exporters, dealers and to import, export buy, sell barter, exchange, or otherwise trade and deal in goods, produce, articles and merchandise of any kind whatsoever in India or anywhere in the world.
68. To carry on the business of manufacturers, processors, importers, exporters, stockists, agents, contractors, distributors, buyers, sellers of and dealers in all kinds of packages, packaging material, containers, cans, drums, casks, barrels, bottles of all kinds, whether glass or PET or any other kind, bottle tops and caps, crown corks, pressed metal wares, pilfer proof caps, metal closures, screw caps, boxes, receptacles, wrappers, all types of tapes, card board, corrugated sheets, cartons, cloth, hessian, timber, teak, oak, plywood, metal, plastic, H.D.P., L.D.P., polypropylene, polythene, plastic, glass, veneers, P.V.C., synthetics, thermocol, leather, rexin, chemicals and other man-made fibrous materials or natural products and to undertake either on own account or on commission basis or otherwise printing, painting, designing, labeling, enameling, electroplating, engraving or otherwise decorating, packaging materials, articles and products and for that to own, acquire, build, construct, erect, establish, take land, buildings, factories on hire, rent or lease or otherwise for manufacturing and processing of packing and printing etc. of articles and materials by mechanical, electrical or manual operation and for carrying on other business of the Company.

(Added by Special Resolution passed by the Postal Ballot held on 14.9.2005).

IV. The liability of the members is limited.

V. The Authorised Share Capital of the Company is Rs. 94,00,00,000/- (Rupees Ninety four crores) divided into 17,00,00,000 (Seventeen crores) Equity Shares of Rs. 2/- (Rupees Two) each and 60,00,000 (Sixty lacs) Preference Shares of Rs. 100/- (Rupees One hundred) each with power to increase or reduce, divide, regroup and re-divide the capital of the Company for the time being into several classes and / or denominations and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being in force. The rights to the Preference Shares shall be such as may be determined by the Board of Directors of the Company at the time of issue thereof.

(Substituted by ordinary Resolution passed in the Extra Ordinary General Meeting held on 10.8.2006).

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

Name, addresses description and occupation of each subscribers	No. of Equity Shares taken by each subscriber	Signature of subscribers	Names, Addresses description and occupation of witness
1. SHAILESH KUMAR KHAITAN S/o Mr. Gajanan Khaitan 4, Queens Park Ballygunge Calcutta - 700 019 Business	10 (Ten) Equity	Sd/ Shailesh Kumar Khaitan	I witness the signature of all the subscribers Sd/- DEEPAK DIWAN S/o Shri P.N. Diwan 9A, Atma Ram House 1, Tolstoy Marg, New Delhi-110 001 Advocate
2. KHUSHAL SINGH S/o Late Sh. Gurdit Singh D-1048, New Friends Colony, New Delhi - 110046	10 (Ten) Equity	Sd/- Khushal Singh	
3. KARNA SINGH MEHTA S/o Shri Jai Singh Mehta A-248, Defence Colony, New Delhi - 110024 Chartered Accountant	20 (Twenty) Preference	Sd/- Karna Singh Mehta	
TOTAL	20 (TWENTY) Equity Shares and 20 (Twenty) Preference Shares		

New Delhi

Dated 4th July, 1983

COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
RADICO KHAITAN LIMITED
(Incorporated under the Companies Act, 1956)

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Annual General Meeting of the Company held on 30th September 2014 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

GENERAL

- | | | |
|---|----|---|
| Application of the Act and the Articles | 1. | The provision of the Companies Act, 2013, as amended from time to time, hereinafter referred to as the Act, shall apply to Radico Khaitan Limited , hereinafter referred to as the Company, except in so far as they permit regulation of the Company's affairs by the Articles provided hereinafter. Any provision in the Articles which may be inconsistent with the Act shall have no effect. |
| Interpretation | 2. | Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date at which the Articles become binding on the Company. |
| In application of Table 'F' | 3. | The regulations contained in Table 'F' in Schedule 1 of the Act shall not apply to the Company. |
| Interpretation | 4. | The marginal notes hereto shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith: |
| The Director | | "The Directors" mean the Directors of the Company for the time being. |
| The Board or Board of Directors | | "The Board" or "Board of Directors" mean the Directors of the Company. |
| The Office | | "The Office" means the Registered Office of the Company for the time being. |
| The Register | | "The Register" means the Register of Members. |
| Dividend | | "Dividend" includes Interim dividend. |
| Month | | "Month" means English calendar month. |

Proxy	"Proxy" includes Attorney duly constituted under a Power of Attorney.
Beneficial Owner	"Beneficial Owner" shall mean beneficial owner as defined in clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996.
Bye-laws	"Bye-laws" means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996.
Depository Act, 1996	"Depository Act, 1996" shall include any statutory modification or re-enactment thereof.
Member	"Member" shall mean shareholder and vice versa and shall include the duly registered holder from time to time of the shares of the company and the beneficial owner as defined in clause (a) of sub-section (1) of section (2) of the Depositories Act, 1996.
Record	"Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by SEBI and under the Act.
Regulations	"Regulations" means the Regulations made by SEBI.
Rules	"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.
SEBI	"SEBI" means the Securities and Exchange Board of India established pursuant to Section 3 of the Securities and Exchange Board of India Act, 1992.
Stock Exchange	"Stock Exchange" means the Stock Exchange or exchanges where the shares of the Company are listed for the time being.
Security	"Security" means such security as may be specified by SEBI from time to time.
In Writing and Written	"In Writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.
These presents	"These presents" means and includes the Memorandum and the Articles of Association and the Regulations of the Company for the time being in force. Words importing the singular number only, include the plural number and vice versa.

Words importing the masculine gender only, include the feminine gender.

Words importing persons include corporations.

SHARE CAPITAL

Authorised Capital

*5

(a) The Authorised Share Capital of the Company is Rs.94,00,00,000/- (Rupees Ninety Four Crores) divided into 17,00,00,000 (Seventeen Crores) Equity Shares of Rs.2/- (Rupees Two) each and 60,00,000 (Sixty lacs) Preference Shares of Rs.100/- (Rupees One Hundred) each.

(Substituted by special Resolution passed in the Extra Ordinary General Meeting held on 10.8.2006).

(b) Subject to the provisions of Sections 47, 48 and 55 of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the Board shall have the power to issue the Preference Shares and determine the terms and conditions, as they may in their absolute discretion, deem fit, relating to the tenure, rate of dividend, conversion into equity shares, period of payment of dividend, cumulative / or non-cumulative dividend, at par or premium, redemption and others in connection therewith or incidental thereto.

(Substituted by Special Resolution passed in the Extra Ordinary General Meeting held on 10.8.2006).

(c) Subject to the provisions of these Articles, the Company shall have power to issue Preference Shares carrying right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company and the Board may subject to the provisions of the Section 55 of the Act, exercise such powers in such manner as it thinks fit.

Equity shares with
differential rights

(d) Subject to the provisions of **Section 43** of the Act and in accordance with the Rules issued thereunder, the Company shall have power to issue equity share capital with differential rights as to dividend, voting or otherwise.

*(Substituted by Special Resolution passed in the Extra-ordinary General meeting held on 26.12.2005).

6. The Company in a general meeting is authorized to alter the conditions of its Memorandum as follows, that is to say, it may from time to time by ordinary resolution:

- (a) i. increase its share capital by such sum, to be divided into shares of such amount as may be specified in the resolution;
 - ii. The new shares shall be issued upon such terms and conditions, and with such rights and privileges annexed thereto as may be specified in the resolution sanctioning the increase of share capital, and if nothing is specified in the resolution, as the Directors may determine, and in particular such shares may be issued with a preferential or qualified rights to dividends and in the distribution of assets of the Company;
 - iii. except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original ordinary capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, voting and otherwise;
- (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination;
 - (d) sub-divide its 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 shares shall be the same as it was in the case of the shares from which the reduced shares is derived.
 - (e) cancelled 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.

Further issue of Share 7.
Capital

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

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

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

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

Mode of further
issue of shares

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

Buy back of shares

8. The Board of Directors is empowered to buy back the shares and other specified securities of the Company in accordance with the Provisions of Section 68 and rules and regulations issued and framed thereunder from time to time by the Central Govt. and SEBI in this regard.

Reduction of Capital

9. Subject to confirmation by the Court, the Company is authorized to reduce its share capital by special resolution in any way, and in particular and without prejudice to the generality to the foregoing power, may:

i. extinguish or reduce the liability on any of its shares in respect of share capital not paid up;

ii. either with or without extinguishing or reducing liability on any of its shares, cancel any paid up share capital which is lost, or is unrepresented by available assets; or

iii. either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company;

and may, if and so far as is necessary, alter its memorandum by reducing the amount of its share capital and of its shares accordingly.

- Modification of Rights 10. Whenever the capital, by reasons of the issue of preference shares or otherwise, is divided into different classes of shares all or any of the rights and privileges attached to each class may be modified, commuted, affected, abrogated or dealt with by agreement between the Company and any persons purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourth of the issued shares of the class or is confirmed by a resolution passed at a separate general meeting of the holders of shares of that class, and supported by the votes of the holders of three-fourth of those shares. This article is not to derogate from any power the Company would have had if this clause were omitted. The power conferred upon the Company by the clause is subject to Sections 48 of the Act.
11. Subject to the Provisions of the Act, it shall be lawful for the Company to issue at a discount shares of a class already issued.

COMMISSION & BROKERAGE

- Payment of Commission 12. The Directors are authorized to pay commission to any person, in consideration of his subscribing or agreeing to subscribe, or his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in or debentures of the Company provided the formalities prescribed in Section 40 of the Act are complied with.
- Rate of Commission 13. The rate of commission shall be decided by the directors at the time of each issue but shall not exceed five percent and two and a half percent of the issue prices of shares and debentures, respectively.
- Payment of Brokerage 14. The Company may also, on issue of shares or debentures, pay such brokerage as may be lawful.

SHARES AND CERTIFICATES

- Shares to be numbered 15. The shares in the capital shall be numbered progressively according to their several denominations except those shares in the capital

of the Company which are existing in the dematerialized form.

- Allotment of Shares 16. Subject to herein provided and subject to provision of the act, the shares shall be under the control of the Directors who may allot or otherwise dispose off the same or any of them to such persons and on such terms and conditions and either at premium or at par and at such times as they think fit with the provision that the option or right to call or shares shall not be given to any other person except with the sanction of the Company in General Meeting.
- Directors may allot shares for consideration other than cash 17. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business, and any shares which may be so allotted may be issued as fully or partly paid up shares, and if so issued, shall be deemed to be fully or partly paid up shares, as the case may be.
- Authentication of Certificate 18. The certificate of title to shares shall be issued under the Seal of the Company and shall be signed in such manner as the directors may prescribe from time to time under The Companies (Share Capital and Debentures) Rules, 2014.
19. (i) Every member shall be entitled to atleast one certificate for all shares / debentures registered in his name except where the member chooses to keep shares in dematerialized form. Every certificate of share / debentures shall specify the total number and distinctive numbers of the shares / debentures in respect of which it is issued and the amount paid-up thereon. For any sub-divided certificate in denomination of less than marketable lot approved by the Stock Exchange, the Directors shall be entitled, but shall not be bound, to prescribe a charge as may be agreed with the Stock Exchange from time to time for each further certificate.
- (ii) Notwithstanding anything contained in the preceding Sub-clause (i), the Directors of the Company may in their absolute discretion refuse sub-division of share certificates or debenture certificates in denomination of less than the marketable lots except where such

sub-division is required to be made to comply with a statutory provision or an order of a Competent Court of Law.

Endorsement of Transfer of 20.
Shares or payment of call

Every endorsement of transfer in favour of any transferee thereof or of payment of a call upon the certificate of any share shall be signed by a Director or Secretary or by any other person for the time being duly authorized by the Directors in that behalf.

Replacement of Certificates 21.

(1) If any certificate of any share or shares be surrendered to the Company for sub-division or consolidation or if any certificate be defaced, torn or old, decrepit, worn-out or where the cages on the reverse for recording transfer have been duly utilized, then upon surrender thereof to the Company, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Board, and on such indemnity as the Board thinks fit being given a new certificate in lieu thereof, shall be given to party entitled to the shares to which such lost or destroyed certificate relate. Where a new certificate has been issued as aforesaid it shall state on the face of it and against the stub or counterfoil that it is issued in lieu of a shares certificate or is a duplicate issued for the one so replaced and, in the case certificate issued in place of one which has been lost or destroyed, the word "duplicate" shall be stamped or punched in bold letters across the face thereof. For every certificate issued under this Article, there shall be paid to the Company such out of pocket expenses incurred by the Company in investigating evidence as the Board may determine.

(2) No fee shall be charged for sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market units of trading, for sub-division of renounceable letters of rights; for issue of new certificate in replacement of those which are old, decrepit or worn out, or where the cages on the reverse for recording transfers have been fully utilized. Provided that the Company may charge such fees as may be agreed by it with the Stock Exchange with which its shares may be enlisted for the time

being for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed, and for sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations other than those fixed for the market units of trading.

Delivery of Certificate to joint holder 22.

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

Dematerialisation of securities

23.

(1) The Company shall be entitled to dematerialize its existing shares, debentures and other securities, re-materialise its existing shares, debentures and other securities held in a Depository and / or offer its fresh shares and debentures and other securities in a dematerialized form pursuant to the Depositories Act, 1996, and the rules framed thereunder, if any.

Option of Investors

(2) Every person subscribing to security offered by the Company shall have the option to receive the security certificate or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall and within the time prescribed, issue to the beneficial owner the required certificate of securities.

Intimation to Depository

(3) Where a person opts to hold his security with a Depository, the Company shall intimate such depository the details of allotment of the security and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.

Securities in Depositories to be in fungible form

(4) All securities held by a Depositories shall be dematerialized and shall be in fungible form.

Rights of Depositories and Beneficial Owners

(5) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of

security on behalf of the beneficial owner.

- (b) Save as otherwise provided in (a) above the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the "Depository" shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all rights and benefits and be subjected to all the liabilities in respect of his securities held by a Depository.
- (d) In respect of the shares or other securities of the Company held in dematerialized form, the provisions relating to joint holders contained in these Articles shall mutatis mutandis apply to the joint beneficial owners.

Depository to furnish information

- (6) 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 the bye laws and the Company in this behalf.

Section 45 and 56 of the Companies Act, 2013 not to apply

- (7) Notwithstanding anything to contrary contained in the Articles:
 - (a) Section 45 of the Act shall not apply to the shares with a Depository.
 - (b) Section 56 of the Act shall not apply to transfer of security effected by the transferor and the transferee, both of whom are entered as beneficial owners in the records of a Depository.

The Company to recognize the rights of Registered Holder as also the Beneficial Owner in the records of the Depository

- (8) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears in the Register of Members as the holder of any Share or whose name appears as the beneficial owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any

benami, trust of equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. But the Board of directors shall be at liberty to register any Shares in the joint names of any two or more persons or the survivor or survivors of them.

Register and Index of
Beneficial owners

- (9) The Company shall maintain a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 2013, and the Depositories Act, 1996, and the rules framed thereunder with the details of shares held in material and dematerialized form in any media as may be permitted by law including any form of electronic media. The Register and Index of Beneficial Members maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be a Register and Index of Members for the purpose of this Act.

The Company shall cause to keep Register and Index of Debenture-holders in accordance with the provisions of the Companies Act, 2013. The Company may also keep a Foreign Register of Members and Debenture-holders in accordance with the provisions of the Companies Act, 2013.

Applicability of the
Depository Act

- (10) In case of transfer of shares, debentures and other marketable securities where the Company has not issued any certificate and where such shares, debentures or securities are being held on an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.

CALLS

Calls

24.

The Board may, from time to time, make such calls as they think fit, upon the members in respect of all moneys unpaid on their shares as per the terms and conditions of the issue of such shares, whether on account of the nominal value of shares or by way of premium or returned to them by the Company by way of reducing Company's paid-up Capital, on the shares held by them respectively and each members shall pay the amount of every call so made on him to the person and at the time and place appointed by the Directors. A call may be made payable by instalments.

- Notice of Call 25. At least fourteen days' notice of any call shall be given by the Company specifying the time and place of payment and the person to whom such call shall be paid.
- When call deemed made 26. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed.
- Extension of time for 27. The Directors may, from time to time, at their discretion extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, on account of residence at a distance or some other cause, may be deemed fairly entitled to such extension, but no members shall, as a matter of right, be entitled to such extension, save as a matter of grace and favour.
- Call may be revoked or 28. A call may be revoked or postponed at the discretion of the Board.
- postponed
- Interest on calls 29. If any member fails to pay any call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest for the same from the time appointed for the payment thereof to the time of actual payment at such rates as may, from time to time, be fixed by the Directors but nothing in this Article shall be deemed to make it compulsory upon the Directors to demand or recover any interest from any such members. The Directors shall be at liberty to waive payment of any such interest fully or in part.
- Forfeiture in spite of 30. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from member to the Company in respect of his shares, either by way of principal or interest, not 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 for non-payment of the whole or any balance due in respect of the shares.
- Indulgence
- Amount payable at fixed 31. If by the terms of issue of any share or otherwise times or by instalment any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provisions herein contained in

- respect of calls shall relate to such amount or instalment accordingly.
- Payment of call in advance 32. The Directors may, if they think fit, receive from any member willing to advances the same, all or any part of the amounts of the respective shares beyond the sums actually called up and upon the money so paid in advance or upon so much thereof, 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 on account of which such advances are made. The Directors may pay or allow interest at such rate as may be agreed with the member paying the sum in advance provided that moneys paid in advance of calls shall not in respects thereof confer a right to dividend or participate in the profits of the Company.
- Proof of shareholder debt 33. On the trial or hearing of any action or suit brought by the Company against any member or his representative for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member is entered in the register of members as the holder of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to member or his representative in pursuance of these presents and it shall not be necessary to prove the appointment of the Directors who made such call, not any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive proof of the debt.
- Joint holders liability 34. The joint owners of a share shall be severally as well as jointly liable for the payment of instalment and calls due in respect of such share.
- Liability for Payment 35. Every Member, his executors, or administrators shall pay to the Company the proportion 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 Directors shall, from time to time and in accordance with the Company's regulations require or fix for the payment thereof.
- TRANSFER AND TRANSMISSION OF SHARES**
- Form of transfer 36. The instrument of transfer of any share shall be in writing in the form as prescribed under the Act.
- Separate instrument executed be 37. Separate instrument of transfer shall be executed for each class of shares.

- Completion of instrument of transfer 38. The Company shall not register a transfer of shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor as well as the transferee and specifying the name and address and occupation, if any, of the transferee has been delivered to the Company.
- Transfer Fee 39. The Company shall not charge any fee for transfer of shares.
- Transfer of partly paid shares 40. Where transfer application is made by the transferor no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee by prepaid registered post. The Directors may, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter the name of the transferee in the register of members, in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- Transferor to remain holder of share until transferee's name entered in the register. 41. Transferor shall be deemed to remain the holder of such share (or shares) until the name of the transferee is entered in the register of members in respect thereof.
- Directors may decline to register transfers 42. Subject to the provisions of Section 59 of the Act and Securities Contracts (Regulation) Act, 1956, the Board may refuse to register any transfer of or the transmission by operation of law, or the right to, any shares or interest of a member of the Company giving reasons for such refusal provided that the registration of transfer of shares 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.
- When transfer Instrument to be retained 43. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same. However, the Board shall have power to destroy the instrument of transfer retained after passing requisite resolution for the purpose.
- Notice of refusal to transfer 44. If the Board refuses to register the transfer of or the transmission of the right to any shares or interest of a member in the Company, the Company shall within one month or such other time as may be prescribed in this regard from the

date of on which the instrument of transfer or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of such refusal to the transferee and the transmission or the person giving intimation of such transmission giving reasons for such refusal.

- Closing of transfer books 45. The Directors shall have power to close the transfer books at such time or times for such period or periods, not exceeding in the aggregate forty five days in each year but not exceeding thirty days at one time, as may seem expedient to them, by giving not less than seven days' notice by advertisement in some newspaper.
- Recognition of survivors. 46. In case of death of any one or more of the persons named in the register of members as the joint holders of any shares, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
- Recognition of executors or administrators 47. The executors or administrators of a deceased member, not being one or two or more joint-holders, shall be the only person recognized by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration and, under the next Article, register the name of any person, who claims to be absolutely entitled to the shares standing in the name of deceased member, as a member.
- Nomination 48. (1) Every holder of shares in or debentures of the Company may at any time nominate in the manner prescribed under the Act, a person to whom his shares, in, or debentures of, the Company shall vest in the event of death of such holders.
- (2) Where the shares in or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company in the case may be, held by them shall vest in the event of death of all joint holders.

(3) Notwithstanding any thing contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or debentures of the Company, where a nomination made in prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the holders or as the case may be, on the death of the joint holders of shares or debentures become entitled to all the rights of the deceased holder or, as the case may be, of all the deceased joint holders in such shares or debentures to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the provisions of the Act.

(4) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures to make the nomination or appoint, in the manner prescribed under the provisions of the Act, any person to become entitled to shares in or debentures of the Company, in the event of his/her death, during the minority.

(5) The provisions of this Article shall apply mutatis mutandis to a depositor of money with the Company as per the provisions of Section 73 of the Act.

Transmission in the name of nominee 49.

(1) Any person who becomes a nominee by virtue of the provisions of Article 46, upon production of such evidence as may be required by the Board and subject as hereinafter provided, shall elect, either:

(i) to be registered himself as holder of the shares or debentures, as the case may be; or

(ii) to make such transfer of the shares or debentures, as the case may be, as the deceased shareholder or debenture holders, could have made.

(2) If the nominee elects himself to be registered as holder of the shares or debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied by the certificate of death of

the deceased holder and the certificate(s) of shares or debentures as the case may be held by the deceased in the Company.

- (3) Subject to the provisions of Section 56 of the Act and these Articles, the Board may register the relevant shares or debentures in the name of the nominee or the transferee as if the death of the registered holder of the shares or debentures had not occurred and the notice or transfer were a transfer signed by the registered holder.
- (4) A nominee on becoming entitled to any shares or debentures by reason of the death of the holder or joint holders shall be entitled to the same dividends and other advantages to which he would have been entitled if he were the registered as a holder of shares or debentures, except that he shall not, before being registered as a holder of shares or debentures, be entitled in respect of them to exercise any right conferred on a member or debentureholders in relation to meetings of the Company.
- (5) The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and If the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable or rights accrued or accruing in respect of the relevant shares or debentures, until the requirements of the notice have been complied with.

Registration as shareholder 50.
by means other
transmission

Any person becoming entitled to shares in consequences of the death, lunacy, bankruptcy or insolvency of any member or the marriage of any female member or by any lawful means other than by a transfer in accordance with these presents may, with the consent of the Directors (which they shall not be under any obligation to give). Upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title, as the Directors think sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the directors registered as such holder, provided nevertheless that if such person shall elect to have his nominee

registered, he shall testify the election by executing to his nominee as 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 shares.

Directors may refuse to register transmission

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

Liability of Company

52. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register Members) to the prejudice of persons having or claiming any equitable right, title or interest in the same shares not with standing that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice 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 to do so, through it may have been entered or referred to in some books of the Company, but the Company shall nevertheless be at liberty to regard and attend to and such notice and give effect thereto.

LIEN ON SHARES

Company's lien

53. The Company shall have a first and paramount lien on every share (not being a fully paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and on all shares (not being fully-paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the Company. The Company's line, if any, on a share shall extend to all dividends payable thereon. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a line. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

Enforcing lien by sale

54. For the purpose of enforcing such lien, the

Directors may sell the shares subject thereto in such manner as they shall think fit; but no sale shall be made until notice in writing of the intention to sell shall have been served on such member or his representative and default shall have been made by him in payment of moneys called or payable at a fixed time in respect of such shares for seven days after such notice. To give effect to any such sale the Board may authorize 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.

Disposal of proceeds of sale 55. The net proceeds of any such sale shall be applied in or towards such satisfaction of the said moneys and the balance, if any, shall be paid to such member, his representatives or assigns.

FORFEITURE OF SHARES

Notice or non-payment of calls 56. If any member fails to pay any call or instalment of call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the directors may, at any time thereafter, during such time the call or instalment remain unpaid, give notice to him or his legal personal representative, or if none, then by way of advertisement, 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 by reason of such non-payment.

Form of notice 57. The notice shall name a day (not being less than fourteen days from the date of service of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non payment at or before the time and at the place appointed, the shares in respect of which the call was made, or instalment is payable, will be liable to be forfeited.

Forfeiture on noncompliance with notice 58. If the requirements of any such notice as aforesaid shall not be complied with, every or any shares in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof be forfeited by a resolution

of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

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| Notice after forfeiture | 59. | When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. |
| Forfeited share property of the Company | 60. | Any share forfeited under these Articles shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of in such manner as the Directors shall approve. |
| Forfeiture involves extinction of all rights & claims | 61. | The forfeiture of a share shall involve the extinction of all interest and also of all claims, and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved. |
| Rights and liabilities after forfeiture | 62. | (a) Any member whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate not exceeding nine percent per annum as the Directors may determine and the Directors may enforce the payment thereof if they think fit.

(b) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. |
| Surrender of shares | 63. | The Directors may accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof on any other terms they think fit. |
| Validity of sale | 64. | Upon any sale after forfeiture or surrender or for enforcing a lien purported to have been exercised by virtue of the powers hereinbefore given, the Directors may cause the purchaser's |

name to be entered in the register of members in respect of the shares sold. A duly verified declaration in writing that the declarant is a Director 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 shares, and that the declaration and the receipt of the Company for the consideration, if any, given for the share on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall not be bound to see to the regularity of the proceedings or to the application of the purchase-money, 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. The validity of 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.

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| Forfeiture in case of non-payment of any dues | 65. | The provisions of these regulations as to forfeiture shall apply in the case of non payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the amount of the share, or by way of premium, as if the same had been payable by virtue of a call duly made and notified. |
| Power to issue new certificate | 66. | When any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered. |
| Power to annul forfeiture | 67. | The Directors 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 they think fit or they may assign a smaller number of shares in respect of paid-up value of forfeited shares. |
| Members' liability to leave address | 68. | Every member shall leave in writing at the Registered Office of the Company his address in India and will also intimate to the Company any change therein from time to time. Such address for all purposes shall be deemed to be his proper |

NOTICE

address.

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| Signature on notice | 69. | Any notice to be given by the Company shall be signed by such Officer as may be authorized by the Directors and signature thereto may be written, printed, lithographed or stamped. |
| Contents of notice | 70. | Every notice of meeting of the Company shall specify the type of meeting, the place and the date and hour of meeting, and shall contain a statement of the business to be transacted thereat and a statement with reasonable prominence that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member and an explanatory statement setting out all material facts concerning each item of special business in accordance with Section 102 of the Act to be transacted at the meeting and the time and place where the document (if any) to be approved by the meeting can be inspected. |
| Notice valid though member deceased | 71. | Any notice or document delivered or sent by post, to or left at the registered address of any member in pursuance of these presents shall, notwithstanding such member be then deceased and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any registered-shares whether held solely or jointly with other persons by such member, until some other persons be-registered in his stead as the holder or joint-holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share. |
| Notice to joint holders | 72. | In case of joint-holders all notices shall be addressed and given to the holder whose name appears first in the register and the notice so given shall be sufficient notice to all the joint-holders. |
| Manner of service of Notice | 73. | (a) Notice to member of the Company will be served in the manner prescribed in the Act.

(b) The accidental omission to give notice to, or the non-receipt of notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting. |
| Period of Notice | 74. | (a) A general meeting of the Company may be called by giving not less than 21 days notice |

in writing.

- (b) A general meeting may be called after giving shorter notice than specified above, if consent is accorded thereto in the case of an annual general meeting, by all the members entitled to vote thereat and in case of other meeting, by members of the Company holding not less than 95 percent of such part of the paid up capital of the Company as gives a right to vote at the meeting. Provided that where any members of the Company are entitled to vote only on some resolution to be moved at a meeting and not on the others, those members shall be taken into account for this purpose in respect of former resolution or resolutions and not in respect of the latter.
- (c) For closing the register of members or debenture holders, notice of not less than seven days shall be given by the Company by advertisement in some newspapers circulating in the district in which registered office of the Company is situated.

Transferee bound by notice 75. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which previously to his name and address being entered on the register, shall have been duly given to the person from whom he derives his title to such share.

Notice by members 76. All notices to be given on the part of members shall be delivered at or sent by registered post to the registered office of the Company.

MEETINGS OF SHAREHOLDERS

Annual General Meeting 77. The annual general meeting shall be held in accordance with the provisions of Section 96 of the Act and shall be called at a time during business hours, on a day that is not a National holiday and shall be held either at the registered office of the Company or some other place within the city, town or village in which the registered office of the Company is situated.

Extra-Ordinary General Meeting 78. All meetings of the shareholders other than Annual General Meetings convened by the Company shall be called Extra-ordinary General Meetings. An Extra-ordinary General Meeting of the shareholders may be called by the directors whenever and wherever they think fit. It may also be called in pursuance of a requisition of

members under the Act.

- Quorum 79. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting of the Company (whether Annual or Extraordinary) shall be as provided in the Act. If within half an hour from the time appointed for the meeting a quorum of members shall not be present, the meeting if convened by or upon the requisition of members, shall be dissolved; but in case it shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine and if, at such adjourned meeting, quorum of members is not present those members present shall be a quorum and they may transact the business for which the meeting was called.
- Chairman 80. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, whether Annual or Extraordinary; or if there be no such Chairman or if at any meeting he shall not be present within 15 minutes of the time appointed for holding such meeting, the members present, shall choose another director as Chairman and if no such director be present, or if all the Directors present decline to take the chair, then the members present shall by poll or electronically, choose one of their members to be Chairperson of the meeting.
- Casting vote of Chairperson at general meeting 81. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.
- No business without Chairman 82. No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.
- Chairman's Power to adjourn 83. The Chairman, with the consent of the meeting, may adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

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| Resolution, how decided | 84. | The resolutions shall be decided by votes taken in the manner as prescribed by Section 107 to 109 of the Act. |
| Business may proceed notwithstanding demand of poll | 85. | The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. |
| Validity of votes | 86. | 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 not disallowed at such meeting or poll and whether given personally or by proxy shall be deemed valid for all purposes whatsoever. In case of dispute as to the admission or rejection of vote the Chairman shall determine the same and such determination shall be final and conclusive. |

VOTES OF SHAREHOLDERS

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| Debtor Members' right to vote | 87. | No member shall be entitled to vote in respect of any shares registered in his name whether singly or jointly with others, on which any call or sums presently payable by him have not been paid, or in regard to which the company has any right or lien. |
| Right of Members to vote | 88. | <p>(a) Every member not disqualified by the preceding Article or Articles and who has been duly registered in the books of the Company before the date of the meeting holding other than preference share capital shall have a right to vote in respect of such capital on every resolution placed before the Company and on all matters generally dealt at the general meeting (whether Annual or Extraordinary).</p> <p>(b) Every member not disqualified by the preceding Article or Articles and who has been duly registered in the books of the Company before the date of the meeting, holding preference share capital shall in respect of such capital have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares and on every resolution placed before the meeting if the dividend due on such preference capital or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of commencement of such meeting.</p> |

(c) Subject as aforesaid, every member when present in person shall have one vote on a show of hands and when present in person or by proxy shall have one vote in the event of a poll in respect of each Rupees ten paid up in the capital of the Company.

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

Vote for lunatics etc. and minors	89.	The right to exercise the vote of a lunatic, idiot or a minor share-holder shall be exercised by his duly constituted curator, committee or other legal guardian, in absence of any such duly constituted curator, committee or guardian if more than one person claim to exercise the right of vote the Chairman of the meeting will accept the vote of such person only as he may select in his absolute discretion.
Joint-holders Vote	90.	In case of joint holders, the vote of the senior who tenders vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint-holders. For this purpose seniority shall be determined by the order in which the names stand in the register of members.
Vote by Proxy	91.	Any member entitled to attend and vote at a meeting shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself, but a proxy so appointed shall not have any right to speak at the meeting and to vote except on poll.
Proxy to be in writing etc., etc.	92.	The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney they authorized in writing, or in the case of a lunatic, idiot or minor by the Committee or guardian, if any, or if such appointer is a body corporate. (i) be under its Common Seal; or (ii) be signed by an officer or an attorney duly authorized in this behalf, or (iii) be signed by the person, if any, authorized pursuant to Section 113 of the Act to act

as its representative.

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| Form of Proxy and identification of non member proxy holder | 93. | Every instrument of proxy, whether for a specified meeting or otherwise shall be as near as possible to the form as prescribed by the Act and shall contain proper identification of the non-member proxy holder by verification of his specimen signature on the proxy by the member concerned. |
| Deposit of instrument | 94. | 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-of attorney or authority, shall be deposited at the registered office of the Company not less than forty-eight hours before the time for holding the meeting at which the persons named in the instrument proposes to vote, and in default thereof the instrument of the proxy shall not be treated as valid. |
| Instrument to remain with Company | 95. | If any such instrument of appointment be confined to the object of appointing an attorney or proxy substitute, it shall remain permanently, or for such time as the Directors may determine, in the custody of the Company. If it embraces other objects, a certified copy thereof shall be delivered to remain in the custody of the Company. |
| Validity of proxy's vote after death etc. | 96. | A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of principal, or revocation of the proxy or of 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 registered office of the Company before the meeting. |
| Voting by means of Postal Ballot | 97. | Notwithstanding anything contained in the Articles:

(a) The Company may adopt the mode of passing the resolution by its members by means of a postal ballot (including voting by electronic mode) and / or other ways as may be prescribed by the Central Government in this behalf in respect of any business that can be transacted by the Company in general meeting instead of transacting such business in general meeting of the Company. |

(b) The Company shall adopt the mode of passing the resolution by its members by means of a postal ballot (including voting by electronic mode) and / or other ways as may be prescribed by the Central Government in this behalf in respect of resolutions relating to such business as the Central Government may, by notification, declare to be conducted only by postal ballot instead of transacting such business in general meeting of the Company.

The Company shall comply with the procedure for such postal ballot and / or other ways prescribed by the Central Government in this regard.

Voting through electronic means

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

DIRECTORS

Strength of the Board

99. Until otherwise determined by a general meeting, the number of the Director shall be not less than three (3) and not more than Fifteen (15).

(a) Dr. Lalit Khaitan shall be Director not liable to retire by rotation.

(b) At the Annual General Meeting every year, one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one third shall retire from Office. A retiring Director shall continue in Office until the conclusion of the meeting at which he is to retire.

(c) The following Directors shall also be liable to retire by rotation

(i) Managing Director

(ii) Joint /Deputy/Assistant Managing Director

Nominee Director by
Financial Institution / Banks

(a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to The Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and

Investment Corporation of India limited (ICICI) , The Industrial Reconstruction Corporation of India limited (IRCI), Unit Trust of India (UTI), General Insurance Company Limited (GIC), and its subsidiaries or a State Financial Corporation or any Financial Institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government or a State Government by themselves (each of the above is herein after this Article referred to as "The Corporation"), and banks, out of any loan / debenture assistance granted by them to the Company or so long as the Corporation / Bank / Institution holds or continues to hold Debentures / Shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation / Bank Institution on behalf of the Company remains outstanding the Corporation / Bank / Institution shall have a right to appoint from time to time, any person or persons as a Director or Directors whole time or nonwhole time (which Director or Directors is / are hereinafter referred to as Nominee Directors) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Directors/. At the option of the Corporation / Bank / Institution such Nominee Director/s shall not be required to hold any share qualification in the company. Also at the option of the Corporation / Bank/ Institution which Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid the Nominee Director/s shall be entitled to the same rights and privileges and to subject to the same obligations as any other Director of the Company.

The nominee Director/s so appointed shall hold the said office only so long as any money remain owing by the Company to the Corporation / Bank / Institution or so

long as the Corporation / Bank / Institution holds or continues to hold debentures / shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall *ipso facto* vacate such office immediately the moneys owing by the Company to Corporation. Bank / Institution are paid off or on the Corporation / Bank / Institution ceasing the debentures / shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation Bank / Institution. The Company shall pay to the nominee Directors sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies and remuneration in any form is payable to the Directors of the Company the fees, commission, monies and remuneration in the relation to such Nominee Director/s shall accrue to the Corporation / Bank Institution or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation / Bank/Institution, or as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation / Bank/Institution the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation / Bank/Institution and the same shall accordingly be paid by the Company directly to the Corporation / Bank / Institution.

Provided also that in the event of the Nominee Director/s being appointed as whole time Director/s such Nominee Director/s shall exercise such power and duties as may be approved by the Corporation / Bank / Institution and have such rights as are usually exercised or available to a whole time Director the management of the affairs of the Company. Such whole time Directors shall be entitled to receive such remuneration fees, commission and monies as may be approved by the Corporation / Bank /

Institution.

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| Qualification shares | 100. | A Director shall not be required to hold any share in the capital of the Company to qualify him as a Director of the Company. |
| Remuneration of Directors | 101. | (1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. |
| Remuneration to require members' consent | | (2) The remuneration payable to the directors, including any managing or whole-time director, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting. |
| Sitting fees to Directors | 102. | The fees payable to a Director for attending a meeting of the Board or a Committee of the Board shall be decided by the Board of Directors of the Company from time to time within the maximum limit of such fee that may be prescribed under the provisions of Section 197 of the Act or in excess thereof with the approval of the Central Government or if not so prescribed, in such manner as the Directors may decide from time to time in conformity with provisions of law. |
| Travelling Expenses | 103. | (a) Expenses for travel shall be paid to a Director for attending Board meetings, General meetings and for attending to any other business of the Company on the basis, as may be determined by the Board from time to time. |
| | | (b) The scale of travelling expenses for foreign tour undertaken by any Director in the interest of the Company shall be decided by the Board of Directors according to circumstances from time to time. |
| Payment for extra service | 104. | If any Director is called upon to perform extra services the Board may pay him for such services as may be agreed upon besides travelling and other expenses. |
| Vacation of Office of Director | 105. | (a) The Office of the Director shall be deemed to have been vacated:

(i) Ipso facto, in the eventualities mentioned in Section 167 of the Companies Act, 2013.

(ii) In the event of resignation by a Director |

or withdrawal of his nomination in the case of a nominated Director, on the date on which the letter of resignation or the letter of withdrawal of his nomination, as the case may be, is received at the Registered Office of the Company.

Director's Power in case of vacancies

(b) The Continuing Directors may act notwithstanding any vacancy in their body, but if the number falls below the minimum above fixed, the Director shall not except for the purpose of filling vacancies, act so long as the number is below the minimum.

Power to appoint other Directors

106.

The Director shall have the power, at any time and from time to time, to appoint any person to be a Director either to fill a causal vacancy or as an addition to the Board, but so that the total number of the Directors shall not at any time exceed the maximum number fixed as above and any person appointed as additional Director shall retain his office only until the next annual general meeting of the Company, but shall then be eligible for re-election.

Alternate Directors

107.

The Directors may appoint an alternate director to act for a Director during his continuous absence for a period of not less than three months from India.

Notice by candidate for office of Director

108.

No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other member intending to propose him, has, not less than fourteen days not more than two months before the meeting, left at the office a notice in writing duly signed, signifying his candidature for the office or the intention of such member to propose him along with a deposit of Rs.100,000/- (Rupees One Lakh only) or such sum as may for the time being be prescribed by Act, which shall be refunded only after he is elected as a Director.

PROCEEDING OF DIRECTORS

Meeting

109.

The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit.

Notice of Meetings

110.

(a) A meeting of the Board of Directors may ordinarily be called on 7 days notice by the Secretary of the Company, but the chairman of the Board of Directors may in their discretion call an emergency meeting of the Board on a shorter notice.

		(b) Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.
Quorum	111.	The quorum for the meeting of the Board of Directors shall be in accordance with the provisions of Section 174 of the Act.
Powers of Quorum	112.	A meeting of the Directors for the time being at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company for the time being vested in or exercisable by the Directors generally.
If Quorum not present in the Board Meeting	113.	If a meeting of the Board could not be held for want of quorum, then the same shall be adjourned to and held on a date and time fixed by the Directors present and for which notice shall be given to the absentee Directors for the time being in India.
Questions at Board Meeting how decided	114.	(1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
Casting vote of Chairperson at Board Meeting		(2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
Chairman	115.	Shri Lalit Khaitan, S/o Late Shri Gajanan Khaitan shall be the Chairman of the Board of Directors for his life. If he is not present at the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of their meeting.
Decision by Majority	116.	The question arising at any meeting shall be decided by a majority of votes. In case of an equality of votes, the Chairman will have a second or casting vote.
Proceedings of committee meetings	117.	The meeting and proceedings of any such committee or sub committee 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.

- Passing of resolution by circulation
118. A resolution circulated in draft together with necessary papers, if any, to all the Directors or to all the members of the committee then in India (not being less in number than the quorum fixed for a meeting of the Board of Committee, as the case may be) and to all other Directors at their usual address in India shall be deemed to have been duly passed by the Board or by the Committees thereof if the same has been approved by a majority of such of them as are entitled to vote on the resolution.
119. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or a of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

MINUTES

- Minutes
120. The Directors, in accordance with Section 118 of the Act, shall cause minutes of all the proceedings of general meetings and of meetings of the Directors and committees and sub-committees, to be duly entered in book or books provided for the purpose, and any such minutes of a meeting of the Directors or committee or sub-committee, or the Company, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be receivable as prima facie evidence of the matters stated in such minutes.

MANAGEMENT

- Managing Director, Whole Time Director, Secretary
121. Subject to the provisions of the Companies Act, 2013, and with the approval of the Central Government, wherever necessary;
- (a) The Board of Directors is authorized to appoint from time to time amongst themselves one or more persons as Managing Director, Joint, Deputy or Assistant Managing Director or Whole time Director on such terms and conditions and for such period as the Board may consider proper.
- (b) The Board of Directors is authorized to delegate to the Managing Director, Joint or Deputy or Assistant Managing Director or Whole time Director as the case may be, such powers and authorities as the

Board may consider fit.

- (c) Subject to Sections 196 and 203 of the Act, a Secretary may be appointed by the Board of Directors on such terms, at such remuneration and upon such conditions as they may think fit and Secretary appointed may be removed by the Board of Directors. A Director may be appointed as Secretary, subject to Section 203, 196 of the Act.

DIRECTORS POWERS

- General Powers of Directors 122. Subject to the provisions of the Act Directors shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorized to exercise and do in furtherance of its subject, specified in the memorandum of Association, for which the Company is established, except such powers which are required by the Act or the Memorandum or Articles of general Meeting. In exercising any such power or doing any such act or things, the Directors shall be subject to the provisions contained in that behalf in the Act, or in the Memorandum or Articles of the Company, or in any regulations not inconsistent therewith and duly made thereunder, including regulations by the Company in general meeting. No regulation made by the Company in general meetings shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- Borrowing limits 123. The Directors are authorized to borrow (without the consent of the Company in general meeting) moneys, where the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will not exceed the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose.
124. The Directors can borrow Money, with right of conversion in or allotment of Shares, in part or full conversion of Loan in Share Capital, subject to the consent of the Company in General Meeting.
- Powers to receive deposits 125. The Directors may receive deposits bearing interest at such rates, as the Directors may deem fit from time to time subject to the provisions of

the Act and rules issued for the purpose.

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| Security repayment | 126. | The Directors may raise or secure the repayment of such moneys in such manner and upon such terms and conditions in all respects, as they think fit, and in particular by the creation and issue of debentures or mortgages, charges or debenture stock, or the issue of debentures or obligations of the Company secured or charged upon all or any part of the undertaking property and right, both present and future, of the Company, including the uncalled capital, or by giving, accepting or endorsing on behalf of the Company any promissory notes or bills of exchanges. |
| Debentures | 127. | Every debentures or other instrument issued by the Company for securing the payment of money may be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same maybe issued subject to the provisions of the Act, any debentures, debenture stock bonds or other instrument or securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into any shares of any denomination, and with any special privileges as to redemption, surrender, drawings and allotment of share or otherwise. Provided that the debenture with a right to conversion into or allotment of shares shall not be issued without consent of the Company in General Meeting. |
| Contribution limit | 128. | The Directors are empowered to contribute to charitable and other funds. Not directly relating to the business of the Company or the welfare of its employees, any amount the aggregate of which will, in any accounting year, not exceed Fifty Thousand Rupees or such sum as is allowable under the Companies Act from time to time or such higher sum as is approved in the general meeting of the Company or five per cent of its average net profits as determined in accordance with the provisions of Section 181 of the Act during the three accounting years immediately preceding whichever is greater. |
| Directors may contract with Company | 129. | Subject to the provisions of Section 184, 188, 189 and 190 of the Act, the Directors shall not be disqualified by reason of his or their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise not shall any such contract, or any contract or arrangement entered into by or on behalf of the Company with any |

Director or with any Company, or partnership of or in which any Director shall be a Member or otherwise interested be avoided, no shall any Director so contracting or being such member or so interested be liable to account to the Company for any profits realized by such contracts or arrangements by reason only of such Director holding that office or of the fiduciary relation thereby established by the nature of the interest must be disclosed by him or them at the meeting of directors at which the contract or arrangement is determined on, if the interest then exist, or in any other case at the first meeting of the Directors after the acquisition of the interests.

Delegation of powers by 130.
Directors

- (a) For efficient, expeditious and smooth working, the Directors subject to the provision of the act, may delegate such powers to the Managing Directors, Committee of Directors and or any other Officer of the Company as they think fit.
- (b) The Board may, at any time and from time to time by Power of Attorney under Seal, appoint any persons to be the Attorney 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 any such appointments may, if the board thinks fit be made in favour of the members or any of the members of any local Directorate established as aforesaid, or in favour of any fluctuating body of persons whether nominated directly or indirectly by Board, and any such Power of Attorney may contain such provisions for the protection convenience of persons dealing with such attorneys as the Board thinks fit.
- (c) The Company cause to be kept in any state or country outside India, as may be permitted by the Act, a Foreign Register of Members or Debenture holders residents in any such state or country and the Board may, from time to time, make such regulations not being inconsistent with the provisions of Sections 88 and 94 of the Act. The Board may, from time to time make such provisions as it may think fit relating thereto and may comply, with the requirements of any local law and shall in any case comply, with the provisions of Sections 88 and 94 of the Act.

- Powers to Authenticate documents 131. (1) Any Director or 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 or extracts therefrom as true copies.
- Certified copies of resolution of the Board (2) A document purporting to be a copy of resolution of the Board or an extract from the minutes of a meeting of the Board which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of duly constituted meeting of the Directors.

CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

- Chief Executive Officer, etc. 132. (a) Subject to the provisions of the Act, -
- A chief executive officer, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
- Director may be Chief Executive Officer, etc. (b) A director may be appointed as chief executive officer, company secretary or chief financial officer.

THE SEAL

- Common Seal 133. The Director shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.
- Safe custody of Seal 134. The Board of Directors shall also provide for the safe custody of the Seal for the time being.
- Use of Seal 135. (a) (i) The seal on share certificates shall be affixed in presence of such persons as are authorized by the Board of

Directors from time to time to sign the share certificates in accordance with the provisions of the Companies (issue of Share Certificates) Rules in force from time to time.

- (ii) On instruments other than share certificates the seal shall not be affixed except by the authority of a resolution of the Board or of a Committee thereof authorized by it in that behalf in presence of a Director or any other person or persons authorized in that behalf by the Board who shall sign every instrument to which the seal shall be affixed.
- (b) The Board of Directors may, by writing under the Common Seal of the Company empower any person, either generally or in respect of any specified matters, as the Company's Attorney, to execute deeds on its behalf in any place either in or outside India. A deed signed by such an attorney on behalf of the Company and under his seal, where sealing is required, shall bind the Company and have the same effect as if it were under its Common Seal.

DIVIDENDS

Dividends

136. The Profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them and shall be paid in accordance with the guidelines / rules framed / to be framed by SEBI, Stock Exchanges, Depositories and / or any other rules and regulations issued in this regard by any other statutory authority from time to time.

If any shares are issued on terms providing that they shall rank for dividend as from a particular date, or that the dividend shall be paid in proportion to the amount of Capital paid up on these shares, then such shares shall rank accordingly and shall be entitled to dividend accordingly subject however to the guidelines / rules framed / to be framed by SEBI, Stock Exchanges, Depositories and / or any other rules and regulations issued in this regard by any other statutory authority from time to time.

Declaration of dividend	137.	The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits, but no larger dividend shall be declared than is recommended by the Directors. The Company in general meeting may, however, declare a smaller dividend.
Interim Dividend	138.	The Directors, if in their opinion the position of the Company justifies, may, from time to time, without the sanction of a general meeting, pay interim dividend to one or more class of shareholders to the exclusion of others at rates which may be differing from class to class, and when declaring such dividends they should satisfy themselves that the preference or other shares (if any), which have prior claim in respect of payment of dividends, shall have their entire rated dividend at the time of final preparation of the accounts for the period. Interim dividend shall be paid in the manner as may be prescribed under the Companies Act, 2013.
Dividends out of profits only and not to carry interest	139.	No dividend shall be payable except out of the profits of the Company or any other undistributed profits, and no dividend shall carry any interest as against the Company.
No dividend on advance call	140.	No dividend would be payable or be paid on capital paid up in advance of calls.
Effect of transfer	141.	A transfer of shares shall not pass the rights to any dividends declared thereon before the registration of the transfer.
Dividend and call together	142.	The Director may, from time to time, make calls upon shares (subject to provisions of these articles) in respect of any Capital for the time being unpaid thereof and may determine that any dividends recommended by them instead of being paid or distributed in cash shall be applied in payment of such calls and thereupon, subject to the sanction of a General Meeting, such dividend shall without any further authority be so applied.
Deductions from Dividend	143.	No member shall be entitled to receive payment of any interest on dividend in respect of his share or shares whilst any money may be due or owing from his to the Company in respect of such share or shares, or otherwise howsoever, either alone or jointly with any other person or persons, and the Directors may deduct from the interest or

dividend payable to any shareholder all sums of money so due from him to the Company.

Right of retention	144.	<p>Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall not withstanding anything contained in any other provisions of the Articles and the Act;</p> <p>(i) Transfer the dividend in relation to such shares to the special account referred to in Section 123 of the Act, unless the Company authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer and;</p> <p>(ii) Keep in abeyance any offer of rights shares under clause (a) of Sub-Section (1) of Section 62 and any issue of fully paid Bonus shares in pursuance of sub-section (5) of Section 123 of the Act, in relation to such shares pending transfer.</p>
Lien on dividend	145.	<p>The Board of Directors may retain any dividend on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p>
Mode of payment	146.	<p>Subject to the provisions of Act, unless otherwise directed by the Board of Directors, any dividend may be paid by cheque or warrant sent by post to the registered address of the member and every cheque or warrant so sent may be made payable to the order of the person to whom it is sent. Dividend on shares held jointly by two or more persons may be paid in the manner aforesaid to the first named of the joint holders. Dividend on bearer share-warrants shall however, be paid in the manner already provided for.</p>
Receipt of payment	147.	<p>Any one of several persons, who are registered as the joint holders of any share, any persons or officer managing the business or affairs of the member may give effectual receipts for all dividends and payments on account of dividends in respect of such shares, provided that the Company may in its discretion refuse to pay any money or deliver and property by way of dividend to any person other than the member personally.</p>
Dividend to whom payable	148.	<p>Dividend shall be payable only to the shareholder whose name appears in the register of members</p>

and register of beneficial owners on the particular date fixed by the Directors for this purpose while recommending the dividend, or to the order of such registered shareholder or to his bankers or in case a share warrant has been issued in respect of any share to the bearer of such warrant or to his bankers.

Time limit for payment

149. Within 30 days or such other period as stipulated from time to time by the Act from the declaration of dividend, the Company shall pay the dividend and send the dividend warrants to the shareholders except when it is prevented from doing so for the following reasons:

- (i) Where the dividend could not be paid by reason or the operation of any law;
- (ii) Where a shareholder has given direction to the Company regarding the payment of the dividend and those directions cannot be complied with;
- (iii) Where there is a dispute regarding the right to receive any dividend;
- (iv) Where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder; or,
- (v) where for any other reason (which will include improper registered address of the shareholder resulting in non-delivery of postal articles to him posted by the Company to his registered address) the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

Responsibility of loss in transit 150.

The Company shall not be responsible for the loss of any cheque, dividend, warrant or postal money order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office beforehand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

Unclaimed dividends

151. No unclaimed or unpaid dividend shall be forfeited by the Company unless the claim thereof becomes barred by law and the Company shall comply with all the provision of Section 123 of the Act in respect of the unclaimed or unpaid dividend.

When accounts deemed to be finally settled 152.

Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period that account shall forthwith be corrected and henceforth shall be conclusive.

RESERVES

Forming a reserve

153.

The Board of Directors may, but shall not be obliged, before recommending or declaring any dividend or bonus out of or in respect of the earnings or profits of the Company for any year or other period cause to be reserved or retained and set aside, out of such profits, such sum as they may think proper, to form one or more reserve funds to meet contingencies or depreciation in the value of the property of the Company or for equalizing dividends, or for repairing, improving and maintaining any of the property of the Company or for providing against losses, meeting of claims or liabilities of the Company, or for such other purposes as the Directors may in their absolute discretion think conducive to the interest of the Company and the Directors shall have full power to employ the assets constituting the reserve fund in the business of the Company without being bound to keep the same separate from the other assets or issued in such manner as they from time to time think fit. The Directors may carry forward any profits they may think prudent not be divide without setting them aside as a reserve.

CAPITALISATION OF PROFITS

Capitalization

154

(1) The Company in General Meeting may upon the recommendation of the Board, resolve;

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

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

same proportions.

- (2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in Cause (3) either in or towards;
 - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (ii) paying up in full, unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up;
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A share premium amount and a capital redemption reserve fund may, for the purpose of this article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid Bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this article.

Board may make 155.
appropriations

- (1) 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 capitalized thereby, and all allotments and issues of fully paid shares or debentures, if any, and
 - (b) Generally do all acts and things required to give effect thereto,
- (2) The Board shall have full power:
 - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and also
 - (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively credited as fully paid

up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any of the amounts remaining unpaid on their existing shares.

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

INSPECTIONS AND COPIES OF RECORDS

Inspection & Extracts of 156
documents

The registers and documents kept at the registered office of the Company under the provisions of the Act of which inspection has to be given under the Act, will be open to inspection by the persons so entitled under the Act, on payment of fee, if any, prescribed in the Act, in cases where the Act provides days of inspection on such days only and in other cases on all working days between the hours of 10.00 A.M. to 12.00 Noon. Extracts can be taken of such Registers or documents by such persons as permitted by the Act, during the hours of inspection.

Copies of Documents 157

Copies of such of the registers or documents and to the extent as permitted by the Act, will be supplied to the persons entitled under the Act, on payments of such fees as are provided by the Act, within the maximum time provided by the Act for the purpose to be calculated as laid down by the Act, after receipt by the Company of the amount of fees payable and in case no fees are provided on receipt by the Company of definite and clear instructions as to the requirements.

WINDING UP

Distribution of assets when 158.
deficit

If the Company shall be wound up, and the surplus assets shall not be sufficient to repay the whole of the paid-up capital, such surplus assets shall be distributed subject to special preferential rights of the preference or any other shareholders, so that the losses shall be borne by the members as nearly as may be in proportion to the capital paid-up on the shares held by them respectively at the commencement of the winding up. But this clause is to be without prejudice to the holders of shares issued on

special condition.

- Division of surplus assets 159. If upon the winding up the Company, the surplus assets will be more than sufficient to repay the whole of the paid-up capital for the time being, the excess shall be distributed among the holders of ordinary shares, subject to preferential rights of the preference or ordinary shareholders in respect of capital or dividend as provided in these Articles, in proportion to the capital paid on these shares held by them respectively at the commencement of the winding up other than amounts paid in advance of calls.
- Distribution of assets in specie 160. The liquidator on any winding up (either voluntary, under supervision or compulsory) may with the sanction of an ordinary resolution divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction vest any part of the assets of the company in trustees upon such trusts for the benefit of the contributories as the liquidator with the like sanction, shall think fit in accordance with the provisions of the Act.
- Liquidator's power to sell 161 Any such liquidator may, irrespective of the powers conferred upon him by the Act, and as an additional power with the authority of a special resolution, sell the undertaking of the Company or the whole or any part of its assets or shares, fully or partly paid-up, or the obligation of or other interest in any other company and may, by the contract of sale agree for the allotment to the members direct of the proceeds of sale in proportion to their respective interest in the Company and, in case the shares of this Company shall be of different classes, may arrange for the allotment in respect of preference shares of the Company or obligation of the purchasing company or of shares of the purchasing company with preference or priority over or a with a larger amount paid-up than the shares allotted in respect of ordinary shares of the company and may further by the contract, limit a time at the expiration of which shares obligations or other interest not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the liquidator.
- Member's right on sale 162. Upon any sale under the last preceding article, no member shall be entitled to require the liquidator either to abstain from carrying into effect the sale

or the resolution authorizing the same or to purchase such member's interest in this Company; but in case any member shall be unwilling to accept the shares, obligations or interest to which under such sale he would be entitled he may, within fourteen days of the passing of the resolution authorizing the sale by notice in writing to the liquidator require him to sell such shares, obligations or interest thereupon the same shall be sold in such manner as the liquidator may think fit and the net proceeds shall be paid over to the member requiring such sale.

Indemnity to Directors & 163.
Officer against their own
acts

Subject to provisions of the Act every Director, Auditor, Secretary and other officer shall be indemnified by the Company from all losses and expenses incurred by them respectively in or about the discharge of their respective duties except such as happen from their own respective willful acts and defaults. They shall be indemnified by the Company against any liabilities incurred by them in defending any proceedings; whether civil or criminal, in which judgement is given in their favour in which they are acquitted or in connection with any application under Section 463 of the Act in which relief is granted to them by the Court.

Indemnity to Directors & 164
Officer against the act of
other person

Subject to provisions of the Act, no Director or other officer of the Company shall be liable for the act receipts, neglects or defaults of any officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy or insolvency, or tortuous act of any person with whom any moneys, securities or effects shall be deposited or for any other loss, damage or misfortune whatever which shall happen in the execution of duties of his respective officer or relation thereto. The aforementioned non-liability shall not apply in cases of any liability which by virtue of any Rule of Law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

SECRECY CLAUSE

Secrecy of business methods 165.

No member shall be entitled, without the permission of the Director to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or mystery of trade or which may relate to the conduct of the business of the Company, and which in the opinion of the Director, will be inexpedient in the interest of the members of the Company to communicate to the public.

Name, address description and occupation of each subscribers	Signature of subscribers	Names, Addresses, description and occupation of witness
1. SHAILESH KUMAR KHAITAN S/o Shri Gajanan Khaitan 4, Queens park Ballygunge Calcutta – 700 019. Business	Sd/- Shailesh Kumar Khaitan	I witness the signature of all the subscribers Sd/- DEEPAK DIWAN S/o Shri P.N. Diwan 9A, Atma Ram House 1, Tolstoy Marg, New Delhi – 110 001 Advocate
2. KHUSHALSINGH S/o Late Shri Gurdit Singh D-108, New Friends Colony, New Delhi – 110 046.	Sd/- Khushal Singh	
3. KARNA SINGH MEHTA S/o Shri Jai Singh Mehta A-248, Defence Colony New Delhi – 110 024. Chartered Accountant	Sd/- Karna Singh Mehta	

New Delhi

Dated 4th July, 1983

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

ORIGINAL JURISDICTION

Company Petition No. 12 of 2005.

Connected with

Company Application No. 13 of 2004

In the Matter of the Companies Act, 1956

In the Matter of Amalgamation of M/s Whytehall India Limited, Regd. office at Plot No. J-1, Block B-1, Mohan Cooperative Industrial Area, Mathura Road, New Delhi-110044.

..... Transferor Company No. 1.

And

M/s Anabeshahi Wines and Distilleries Private Limited, Regd. office at House No. 1-10-187, First Floor, Street No. 7, Ashok Nagar, Hyderabad 500020 (Andhra Pradesh).

..... Transferor Company No. 2.

With

Radico Khaitan Limited, Regd. office at Bareilly Road, Rampur 244901 (U.P.).

..... Petitioner Transferee Company.

BEFORE THE HON'BLE MR. JUSTICE SUNIL AMBWANI

Dated 23rd, August, 2005.

ORDER UNDER SECTION 394

The above petition coming on for hearing on 23.8.2005, the order dated 21.12.2004, whereby the said Transferor Companies and Transferee Company was ordered to convene separate meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation proposed to be made between the said Transferor Companies and Transferee Company and annexed to the affidavit of Anil Chawla filed the 13th day of September, 2004, the newspapers "Hindustan Times", (Lucknow Edition), "Economic Times" (Delhi Edition) and "Amar Ujala" (Moradabad Edition), each dated 3.2.2005 each containing the advertisement of the said Meeting directed to be held by the said order dated 21.12.2004 the affidavit of Shri M.K. Gupta Advocate filed the 18th day of February, 2004, showing the publication and dispatch of the notices convening the said meetings, the reports of the Chairman of the said meetings dated 14.3.2005 as to the result of the said meetings and, Upon hearing Shri S.K. Dholakia, learned Senior Advocate, assisted by Shri Piyush Agarwal learned counsel for the Transferee Company, and it appearing from the report of the Chairman that the proposed Scheme of Amalgamation was passed unanimously by to the Secured Creditors and Unsecured Creditors was passed without any objection, present and voting in person or by proxy.

THIS COURT DOTH ORDERS

In the facts and circumstances, I do not find any legal impediment to grant the sanction and, accordingly, the company petition is allowed. The Scheme of Amalgamation, So far as M/s Radico Khaitan Limited, (Petitioner Transferee Company) is concerned submitted for sanction is approved. The 'Appointed Date' and Effective Date of the Scheme shall be the same as given in the scheme of Amalgamation.

(1) That all the property, rights and powers of the above-named two Transferor Companies specified in the first, second and third parts of the Schedule hereto and all other property, rights and powers of the above-named two Transferor companies be transferred without any further act or deed to the Transferee company and accordingly the same shall, pursuant to section 394(2) of the Companies Act, 1956, be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor companies therein but subject nevertheless to all charges now affecting the same; and

(2) That all the liabilities and duties of the above-named two Transferor companies be transferred without further act or deed to the Transferee company and accordingly the same shall, pursuant to section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the Transferee company; and

(3) That all proceedings now pending by or against the above-named two Transferor companies be continued by or against the Transferee company; and

(4) That the Transferee company do without further application allot to such members of the above-named two Transferor companies the shares in the Transferee company to which they are entitled under the said Scheme of Amalgamation; and

(5) That the above-named two Transferor companies do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies, Kanpur, for registration and on such certified copy being so delivered the above-named two Transferor companies shall stand dissolved without being wound up and the Registrar of Companies shall place all documents relating to the above-named two Transferor companies and registered with him on the file kept by him in relation to the Transferee company and the files relating to the said three companies shall be consolidated accordingly; and

(6) That any person interested shall be at liberty to apply to the Court in the above-matter for any directions that may be necessary.

ANNEXURE

Sanctioned Scheme of Amalgamation

SCHEDULE

(PART - I)

Description of free hold properties of the Transferor companies as given the Scheme of Amalgamation.

SCHEDULE

(PART - II)

Description of lease hold properties of the Transferor companies as given the Scheme of Amalgamation.

SCHEDULE

(PART - III)

Short description of all stocks, shares, debentures and other chose-in-action of the Transferor companies as given the Scheme of Amalgamation.

**SCHEME OF AMALGAMATION
OF
(1). WHYTEHALL INDIA LTD.
AND
(2). ANABESHAHI WINES AND DISTILLERIES PRIVATE LIMITED
WITH
RADICO KHAITAN LTD.**

PREAMBLE

WHEREAS Radico Khaitan Ltd. (Transferee Company) is engaged in the business of manufacturing, producing, processing, ageing, blending, rectifying, compounding, bottling, warehousing, storing, importing, exporting, buying, selling, distributing and dealing in all kinds of alcoholic and non-alcoholic beverages, including wines and spirits and all ingredients and byproducts thereof.

AND WHEREAS the Transferor Companies are also having overlapping / common objects. The Transferor Company No. 1 is engaged in the business of manufacturing, producing, processing, ageing, blending, rectifying, compounding, bottling, warehousing, storing, importing, exporting, buying, selling, and dealing in all kinds of alcoholic and non-alcoholic beverages, including wines and spirits and all ingredients and byproducts thereof. The Transferor Company No.2 is engaged in the business of brewers maltsters and distillers and bottlers of alcoholic beverages.

AND WHEREAS the Transferee Company was a holder of equity shares to the extent of 48% in the Transferor Company No.1 as on the 'Appointed Date' and has subsequently acquired the balance 52% equity shares held by other Shareholders in the Transferor Company No. 1 on 14th June, 2004 and as a result, the Transferor Company No.1 has become a wholly owned subsidiary of the Transferee Company.

AND WHEREAS the Transferee Company has acquired the entire share capital of the Transferor Company No.2 on the 'Appointed Date' and as a result the said Transferor Company No.2 has become a wholly owned subsidiary of the Transferee Company"

NOW THEREFORE the present Scheme of Amalgamation proposes to amalgamate the Transferor Companies No. 1 and 2 with Radico Khaitan Ltd. with a view to consolidate the business of Transferor and Transferee Companies, to integrate the operations, to take advantage of the combined resources and to achieve a rationalization of the management structure and economies of scale for further and stable modernization, growth, expansion and diversification of the respective businesses and for better and more profitable utilization of combined resources of the Transferor and Transferee Companies.

The Scheme of Amalgamation will strengthen and consolidate the position of the amalgamated/resulting Company and will enable the amalgamated/resulting Company to participate more vigorously and profitably in an increasingly competitive and liberalized market. The amalgamated/resulting Company will be in a position to generate additional funds and to further diversify and expand its business.

The said Scheme will enable the management of the Transferor Companies and the Transferee Company to combine and pool the resources of all the Companies for their common advantage and further growth and diversification of their business.

The proposed Scheme will thus enable all the Companies concerned to rationalize and streamline their management, businesses and finances and to eliminate duplication of work and achieve synergies to their common advantage.

The arrangement will further combine and enhance the collective net worth of the Transferor and Transferee Companies enabling the amalgamated/resulting Company to raise funds from the financial systems on better terms.

The Transferee Company will have a strong financial and operational structure which will be capable of resource mobilization and financial consolidation necessary to withstand the new competitive environment.

The said Scheme of Amalgamation is beneficial to all the Companies, their shareholders, creditors, employees and all concerned and will enable all these Companies to achieve and fulfill their objectives more efficiently and economically. The said Scheme will contribute in furthering and fulfilling the objects of the amalgamating Companies and in the growth and development of their business.

Proposed amalgamation would rationalise existing inter Company transactions, introduce greater transparency, eliminate avoidable administration costs thereby improving investors' and lenders' confidence.

A merger/amalgamation of the Transferor and Transferee Companies will make the resulting/amalgamated entity more competitive in the market. A combination of the Transferor and Transferee Companies will result in strong financial structure, will facilitate resource mobilization, and financial consolidation. The synergy of the merger will improve credit rating of the resultant entity lowering the cost of borrowing, increased operational efficiency, integrated management functioning and will enhance the share value for the benefit of the shareholders of the existing entities.

The amalgamation will result in improved asset base and enable the Transferee Company to raise resources for future growth and expansion of the business.

THEREFORE with a view to integrate the business synergies and reap the benefit of consolidation through focused management, the Board of Directors of the Transferor and Transferee Companies have resolved to amalgamate the Transferor Companies with the Transferee Company.

PART - I DEFINITIONS

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

1. "The Act" means the Companies Act, 1956.
2. "Appointed Date" means the commencement of business on the 1st day of April, 2004.
3. "Effective Date" means the day on which the last of the approvals specified in Clause 3 of Part IV of the Scheme shall have been obtained.
4. "Opening Balance Sheet" means the Balance Sheet of the Transferee Company as on the Appointed Date prepared by consolidating the Assets and Liabilities of the Transferor Companies being taken over at fair value for the purposes of amalgamation as on 1st April, 2004 and that of the Transferee Company as on the same date based on the audited balance sheets as at 31st March, 2004, The Opening Balance Sheet is annexed hereto as Annexure - A.
5. "Scheme" means this Scheme of Amalgamation in its present form with any amendments/modifications approved or imposed or directed by the concerned Hon'ble High Court of Delhi at New Delhi, the Hon'ble High Court of Judicature at Allahabad and the Hon'ble High Court of Andhra Pradesh at Hyderabad.
6. "The Transferor Company No. 1" means:-
WHYTEHALL INDIA LIMITED, a Company originally incorporated under the name of Whyte & Mackay (India) Pvt. Ltd. on 20th June, 1995 under a Certificate of Incorporation bearing No. 55-69955 issued by the Registrar of Companies, NCT of Delhi & Haryana, as a Private Limited Company under the Indian Companies Act, 1956. The Company became a deemed Public Company under Section 43A (1) of the Act w.e.f. 21.9.1996, vide an amendment made to the original Certificate of Incorporation dated 20th June, 1995. The name of the Company was subsequently changed to Whytehall India Ltd. and a fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, NCT of Delhi & Haryana on 20.2.2002. The Company became a Public Limited Company on 30.9.2002. The Company is presently having its Registered Office at Plot No. J-1, Block B-1, Mohan Cooperative Industrial Area, Mathura Road, New Delhi-110 044. The Company is a wholly owned subsidiary of Radico Khaitan Ltd. (the Transferee Company).
7. The "Transferor Company No. 2" means:-
ANABESHAHI WINES AND DISTILLERIES PRIVATE LIMITED, a Company incorporated under the Indian Companies Act, 1956 as a Private Limited Company on 1.5.1969, presently having its Registered Office at House No. 1-10-187, First Floor, Street No. 7, Ashok Nagar, Hyderabad (Andhra Pradesh)-500 020 and is a wholly owned subsidiary of Radico Khaitan Ltd. (the Transferee Company). By virtue of Section 3 of the Companies Act 1956, the Company is now a Public Limited Company.
8. "Transferor Companies" shall mean both the "Transferor Company No. 1" and Transferor Company No. 2" collectively.

9. "The Transferee Company" means **RADICO KHAITAN LTD.**, a Company originally incorporated under the name of Abhishek Cements Private Limited on 21.7.1983 vide Certificate of Incorporation No. 16189 of 1983-84 issued by the Registrar of Companies, Delhi & Haryana. The Company became a Public Limited Company on 3.9.1983 and pursuant thereto, the name of the Company was subsequently changed to Abhishek Cements Ltd. and a fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, Delhi & Haryana on 21.1.1984. Pursuant to the order dated 30.12.2002 passed by the Board for Industrial & Financial Reconstruction (BIFR) in Case No. 114/90 approving the Reverse Merger of M/s Radico Khaitan Ltd. with M/s Abhishek Cements Ltd., the name of the Company was changed to Radico Khaitan Ltd., the Registered Office of the Company was transferred to Rampur, Uttar Pradesh and its authorized capital was increased to Rs. 35 crores. In consequence thereof the Registrar of Companies M.P. & Chhattisgarh, Gwalior issued a Certificate dated 20.2.2003 recording the said Reverse Merger, the change of name of the Company, the increase in authorized capital and the transfer of the Registered Office. A Certificate of Registration confirming transfer of the Registered Office from one State to another was issued by the Registrar of Companies, U.P. & Uttaranchal, Kanpur on 21.2.2003 recording therein the said order dated 30.12.2002 of the BIFR approving the Reverse Merger of Radico Khaitan Ltd. with M/s Abhishek Cements Ltd. and the said Certificate issued by the ROC, Gwalior dated 20.2.2003 recording the said reverse merger, the change of name of the Company the increase in authorized capital and the transfer of the Registered Office. A certificate of registration confirming transfer of the Registered Office from one state to another was issued by the Registrar of Companies, UP & Uttaranchal, Kanpur on 21.2.2003 recording therein the said order dated 30.12.2002 of the BIFR approving the reverse merger of Radico Khaitan Limited with M/s Abhishek Cements Limited and the said certificate issued by the ROC, Gwalior dated 20.2.2003 recording the change of the name of the Company from Abhishek Cements Limited to Radico Khaitan Ltd. and the Registered Office of the Company was transferred to Rampur in the State of Uttar Pradesh and its authorized capital was increased to Rs.35 crores. The ROC, U.P. & Uttaranchal, Kanpur vide the said Certificate dated 21.2.2003 also allotted a new Registration No. being 20-27278 to Radico Khaitan Ltd. The Company is presently having its Registered Office at Bareilly Road, Rampur-244 901 (U.P.).
10. "Undertaking of the Transferor Companies" in respect of each one of the Transferor Company(s) shall mean and include:
- (a) the entire business and undertaking of the Transferor Companies including all the properties, assets and liabilities of the Transferor Companies, as on the Appointed Date, including all rights, powers, interests, authorities, privileges, liberties and all properties and assets, movable or immovable, real or personal, corporeal or incorporeal, in possession or in reversion, present or contingent of whatsoever nature and wherever situate including lease, tenancy and agency rights and all other interests, powers, charges, privileges, benefits, entitlements and rights in or arising out of such properties together with all buildings, plant & machinery, vehicles, equipments, furniture, sundry debtors, investments, inventories, cash & bank balances, bills of exchange, deposits, loans & advances, including all trademark rights, trademarks, brands, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label designs, utility models, holograms, bar codes, designs, patents, copyrights, privileges and any rights, title or interest in Intellectual Property Rights (as specified in Schedule-I hereto), all contracts, licenses, permissions, approvals, registration, permits, import/export entitlements and other entitlements and quotas, exemptions, consents, certificates and certifications, reliefs, grants, subsidies, benefits under existing agreements, if any, held, applied for or as may be obtained hereafter by the Transferor Companies or which the Transferor Companies are entitled to and all debts, liabilities, duties and obligations of the Transferor Companies of whatsoever kind.
 - (b) all the assets including leasehold assets and movable assets together with all present and future liabilities including any contingent/statutory liabilities and debts and undertakings of the Transferor Companies, as per the records of the Transferor Companies;
 - (c) all permanent employees of the Transferor Companies and the existing provident fund and pension fund trusts, gratuity, Superannuation Funds and other terminal benefits created by the Transferor Companies;
 - (d) all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of the Transferor Companies;
 - (e) all the debts, liabilities, duties, responsibilities and obligations of the Transferor Companies on the Appointed Date; and

- (f) all immovable assets, whether freehold, leasehold or otherwise, including all buildings, fixtures, structures, and/or any other developments or rights and facilities related thereto of the Transferor Companies including those comprised in the undertakings, as listed out in Schedule-II, hereto, as per the records of the Transferor Companies.

PART - II SHARE CAPITAL

The capital structure of the Transferee and Transferor Companies as on 31st day of March 2004 (the day previous to the Appointed Date), as aforesaid parties to the present Scheme of Amalgamation is as under:-

- (a) The Authorized Share Capital of the Transferee Company (Radico Khaitan Ltd.) is Rs.35,00,00,000 (Rupees Thirty five crores only) divided into 3,40,00,000 equity shares of Rs.10/- each and 1,00,000 15% redeemable cumulative preference shares of Rs. 100/- each. The issued, subscribed and paid up share capital of the Transferee Company is Rs.19,28,95,880/- (Rupees Nineteen crores twenty eight lacs ninety five thousand eight hundred and eighty only) divided into 1,92,89,588 equity shares of Rs.10/- each.
- (b) The Authorized Share Capital of the Transferor Company No. 1 (Whytehall India Ltd.) is Rs.30,00,00,000 (Rupees Thirty crores only) divided into 3,00,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid up share capital of the Transferor Company No. 1 is Rs.17,99,99,990/- (Rupees Seventeen crores ninety nine lacs ninety nine thousand nine hundred and ninety only) divided into 1,79,99,999 equity shares of Rs.10/- each.
- (c) The Authorized Share Capital of the Transferor Company No. 2 (Anabeshahi Wines and Distilleries Pvt. Ltd.) is Rs.2,00,00,000 (Rupees Two crores only) divided into 2,00,000 equity shares of Rs.100/- each. The issued, subscribed and paid up share capital of the Transferor Company No. 2 is Rs.2,00,00,000/- (Rupees two crores only) divided into 2,00,000 equity shares of Rs.100/- each.
- (d) The shareholding pattern of the Transferor Company No. 1, Transferor Company No. 2 and Transferee Company as on the Appointed Date (i.e. 1.4.2004) is as per Annexure-B hereto.

PART - III SCHEME

IN CONSIDERATION OF THE RECIPROCAL PROMISES AND THE ARRANGEMENTS, THE TWO TRANSFEROR COMPANIES AND THEIR RESPECTIVE SHAREHOLDERS AND THE TRANSFEE COMPANY AND ITS SHAREHOLDERS HAVE PROPOSED THE SCHEME OF AMALGAMATION AS SET OUT IN PART-III AND IV:

1. With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking and the entire business of the Transferor Companies shall without further act or deed be transferred to and be vested or deemed to have been transferred to and vested in the Transferee Company as a going concern pursuant to Sections 391 (2) and 394 (2) of the Act so as to become as and from the Appointed Date the estates, assets, rights, title, interests and undertaking of the Transferee Company, subject however, to all charges, liens, mortgages, created and / or registered in favour of any Bank, Financial Institutions, if any, then affecting the same or any part thereof.

Provided always that any reference in the security documents or arrangements to which any of the Transferor Company(s) is a party, the assets of any of the Transferor Company(s) offered as security for any financial assistance or obligation, shall be construed as a reference to the assets pertaining to that undertaking of such of the Transferor Company/Companies only as are vested in the Transferee Company by virtue of this Scheme and the Scheme will not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company(s) which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security therefor, after the amalgamation has become effective or otherwise except in case where the required security has not been created and in such case the Transferee Company will create the security in terms of the issue or agreement in relation thereto.

Similarly, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or facility availed or raised by it.

All assets, estate, rights, title, interest and authorizations, licenses, approvals acquired by the Transferor Companies after the Appointed Date and prior to the Effective Date for operation of the Transferor Companies shall also stand transferred to and vested in the Transferee Company upon the coming into effect of this Scheme.

2. Any inter se contracts between the Transferor Companies and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective.
3. If any suit, actions, appeal or any other proceedings of whatever nature (hereinafter called "the proceedings") by or against each or any of the Transferor Companies be pending, the same shall not abate, be discontinued, or be in any way prejudicially affected by reason of the transfer of the Undertaking of each of the Transferor Companies or anything contained in this Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against each or any of the Transferor Companies if this Scheme had not been made.
4. There are no deposits covered under Section 58-A of the Companies Act, 1956.
5. The transfer and vesting of the Undertaking of each one of the Transferor Companies under Clause 1 hereof and the continuance of the proceedings by or against the Transferee Company under Clause 3 hereof shall not affect any transaction of proceeding already concluded by each or any of the Transferor Companies on or 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 or on behalf of each and/or any of the Transferor Companies as acts, deeds and things done and executed by or on behalf of the Transferee Company.
6. Subject to the provisions contained in this Scheme, all contracts, deeds bonds, agreements and other documents and instruments of whatsoever nature to which each or any of the Transferor Companies are parties, which are subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively, as if instead of each and/or any of the Transferor Companies, the Transferee Company had been a party thereto.
7. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, powers of attorneys given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the rights and benefits under the same shall be available to the Transferee Company.
8. Since the Transferor Companies are wholly owned subsidiaries of the Transferee Company as on the date of this Scheme of Amalgamation, there being no issue of shares arising out of the amalgamation, there is no requirement to make a valuation of the shares of the Transferor Companies. Treating this Scheme as one in the nature of 'amalgamation by purchase' under the applicable accounting standard, it is found expedient to take over the assets and liabilities of the Transferor Companies on a fair value basis to the extent considered necessary and which have duly been considered in drawing the opening balance sheet annexed and referred to as Annexure - A.
9. It is clarified that upon coming into effect of the Scheme the assets and liabilities of the Transferor Companies as on the Appointed Date which are part of the undertaking of the Transferor Companies shall without any further act or deed be and stand transferred to the Transferee Company and shall become the assets, liabilities and obligations of the Transferee Company who shall meet, discharge and satisfy the same.
10. With effect from the "Appointed Date" up to the "Effective Date" :-
 - (a) Each of the Transferor Companies shall carry on and shall be deemed to have carried on all its business and activities in respect of the Undertaking and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company;
 - (b) None of the Transferor Companies shall, without the written consent of the Transferee Company, undertake any new business;
 - (c) All the profits or incomes accruing or arising to each or any of the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by each or any of the Transferor Companies shall for all purposes be treated and be deemed to be and accrued as, the profits, or incomes or expenditures or losses of the Transferee Company, as the case may be;

- (d) Each one of the Transferor Companies shall carry on its business activities in relation to the undertaking under reasonable diligence, utmost business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantee, indemnities, letter of comfort or commitments, either for itself or on behalf of its subsidiaries, if any, or group Companies or any third party, or save as expressly permitted by this Scheme, alienate, charge, mortgage, encumber or otherwise deal with the said Assets or any part thereof, except in the ordinary course of business, or without the prior written consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the concerned Transferor Companies prior to the Appointed Date;
- (e) The Transferee Company shall also be entitled, pending the sanction of the Scheme to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law, including without limitation to the Industries (Development & Regulation) Act, 1951, Monopolies and Restrictive Trade Practices Act, 1969, Transfer of Property Act, 1973 or any other applicable law for such consent, approvals and sanctions which the Transferee Company, may require;
11. The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final in respect of the accounting period prior to the effective Date.

PART - IV

TREATMENT OF SHARE CAPITAL IN THE BOOKS OF ACCOUNTS OF THE TRANSFEREE AND TRANSFEROR COMPANIES AND OTHER INCIDENTAL AND CONSEQUENTIAL PROVISIONS PURSUANT TO THE SCHEME

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

1. (a) Upon coming into the effect of the Scheme and upon the vesting and transfer of the Undertakings into the Transferee Company herein, the Share Capital of each of the Transferor Companies will be adjusted and stand cancelled to the extent of the investment made by the Transferee Company in the Share Capital of each of the Transferor Companies, since the Transferee Company is presently holding 100% of the Equity Shares of each of the Transferor Companies. The equity shares held by the Transferee Company in each of the Transferor Companies also include six Equity Shares of the face value of Rs. 10/- each in the case of the Transferor Company No. 1 and six Equity Shares of the face value of Rs. 100/- each in the case of Transferor Company No. 2, which are held jointly by the Transferee Company along with other individuals. However, it may be pointed out that the first named Shareholder/beneficial owner of the said six Equity Shares is the Transferee Company and as such, these six Equity Shares shall also stand adjusted and cancelled in the manner set out herein.
- (b) On the 'Effective Date' Equity Shares of each of the Transferor Companies held by the Transferee Company will be cancelled, i.e., shares issued by each of the Transferor Companies shall stand cancelled as of the Effective Date, and shall be of no effect and both the Transferor Companies, shall have no further obligations outstanding in that behalf.
- (c) The shareholding pattern of the Transferee Company as on the Appointed Date pursuant to the said Scheme of Amalgamation coming into effect, will be as per Annexure-C hereto.
- (d) The Opening Balance-sheet shall constitute the reconstructed balance sheet of the Transferee Company as on the Appointed Date.
- (e) Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise the sales tax returns and to claim refund/credits etc. on the basis of the Opening Balance Sheet, becoming effective on the Appointed Date pursuant to the terms of this Scheme and its right to make such revisions in the Sales Tax returns and to claim refund/credits is expressly reserved.
- (f) It is expressly clarified that upon the Scheme becoming effective all taxes payable by each of the Transferor Companies from the appointed date onwards including all or any refunds of the claims shall be treated as the tax liability or refunds/claims as the case may be of the Transferee Company.
- (g) On the Effective Date all the loans, advances and trade dues extended or promissory notes issued by the

Transferee Company to each of the Transferor Companies and vice-versa shall stand cancelled and the Transferor Companies and the Transferee Company, as the case may be, shall have no further obligation in that behalf.

- (h) If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company affect the validity or implementation of the other parts and/or provisions of this Scheme.
- (i) The Transferor Companies shall, if so required, make suitable alterations to its Memorandum and Articles of Association for proper implementation of this Scheme.
- (j) Upon the Scheme becoming effective and without any further act or deed on the part of the Transferor and/or Transferee Companies all quotas/entitlements as are available/admissible to each or any of the Transferor Companies, in terms of any scheme of the Government of India/state governments/ any other body and subsequent modifications/ amendments thereto from time to time, shall stand transferred in the name of the Transferee Company and the Transferee Company shall be entitled to enjoy the rights to such quota/entitlements as if the same were originally admissible to the Transferee Company. Further, all guarantees given by each or any of the Transferor Companies in favour of the said Authorities shall also be deemed to have been given by the Transferee Company upon the Scheme becoming effective.
- (k) The Transferee Company is expressly permitted to file and / or revise its Income-tax returns and related TDS Certificates and to claim refunds, advance tax credits etc. on the basis of the Opening Balance Sheet as above, becoming effective on the Appointed Date and its right to make such revisions in the Income-tax returns and related TDS Certificates and the right to claim refunds, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly granted.
- (l) All the employees of each of the Transferor Companies who are in the employment of and on the rolls of the Transferor Companies on the Effective Date shall become the employees of the Transferee Company without interruption in service and on terms no less favourable to them than those then applicable to them on the Effective Date. It is expressly provided that the Provident Fund, Gratuity Fund, Superannuation Fund etc. created or existing for the benefit of the employees of the Transferor Companies shall stand substituted by similar Funds of the Transferee Company. The Provident Fund, gratuity fund and pension and/or superannuation fund accumulations by the Transferor Companies for their employees lying with the Regional Provident Fund Commissioner, the Company or any other authority/ body shall be transferred to the funds to be created and/or maintained by the Transferee Company or with the respective Regional Provident Fund Commissioner or other authorities as the case may be.
- (m) Upon the Scheme becoming effective and subject to an order being made by the Hon'ble High Court of Delhi at New Delhi, the Hon'ble High Court of Judicature at Allahabad and the Hon'ble High Court of Andhra Pradesh at Hyderabad, under Section 394 of the Act, the Transferor Companies shall stand dissolved without winding up as and from the Effective Date or such date as the said Hon'ble High Courts may direct.
- (n) The Transferee Company shall make suitable alternations to its Memorandum and Articles of Association (if necessary) for proper implementation of this Scheme.
- (o) With effect from the Effective Date and till such time the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies in the names of the Transferor Companies in so far as may be necessary.

PART - V

GENERAL TERMS AND CONDITIONS

1. The Scheme is conditional upon and subject to the following:-
 - (a) The Scheme being approved by the respective requisite majorities of the members/creditors of each of the Transferor Companies and the Transferee Company and it being sanctioned by the Hon'ble High Court of Delhi at New Delhi, the Hon'ble High Court of Judicature of Uttar Pradesh at Allahabad and the Hon'ble High Court of Andhra Pradesh at Hyderabad respectively under Section 391 of the Act and the appropriate orders being made by the said Hon'ble High Courts pursuant to Section 394 of the Act for effecting the

amalgamation under the Scheme and the implementation of the Scheme.

- (b) The approval and consent of any authorities/banks concerned of the Transferor Companies and the Transferee Company as may be required, under any contract or statute being obtained and granted in respect of any of the matters in respect of which such approval and consent is required.
 - (c) The certified copies of the orders of the Hon'ble High Court of Delhi at New Delhi, the Hon'ble High Court of Judicature at Allahabad and the Hon'ble High Court of Andhra Pradesh at Hyderabad, being filed with the Registrar of Companies NCT of Delhi and Haryana, the Registrar of Companies U.P. and the Registrar of Companies, Andhra Pradesh by all the Transferor Companies and the Transferee Company.
2. The Transferor and Transferee Companies shall make necessary applications to the Hon'ble High Court of Delhi at New Delhi, the Hon'ble High Court of Judicature at Allahabad and the Hon'ble High Court of Andhra Pradesh at Hyderabad for obtaining the said Hon'ble High Courts' sanction of this Scheme and for the consequent dissolution without winding up of the Transferor Companies.
 3. Although the scheme shall take effect on the Effective Date, it will be operative from the Appointed Date.
 4. Until the Scheme is sanctioned and transfers effected as aforesaid and until the Transferee Company is effectively able to take over and obtain all necessary transfers effected with the parties concerned, the Transferor Companies shall carry on their business in usual course and shall be deemed to be carrying on the said business for an on behalf of and in trust for the Transferee Company with effect from the Appointed Date.
 5. In case the scheme is not sanctioned by the Hon'ble High Court of Delhi at New Delhi, the Hon'ble High Court of Judicature at Allahabad and the Hon'ble High Court of Andhra Pradesh at Hyderabad for any reason whatsoever or for any other reason deemed fit by the Board of Directors, the Scheme cannot be implemented then the Scheme shall become null and void and in that event no rights and liabilities shall accrue to or be incurred inter se by the parties in terms of the Scheme.
 6. The Transferor Companies (by their Board of Directors) and the Transferee Company (by its Board of Directors) or any person authorized by it may assent from time to time on behalf of all persons concerned to any modifications or amendments of this Scheme or of any conditions or limitations which the said Hon'ble High Courts and / or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary and/ or expedient for the purpose of implementing this Scheme.
 7. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company may give and is authorized to give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise.

All costs, charges and expenses of each or any of the Transferor Companies in relation to or in connection with this Scheme and incidental to the completion of the Amalgamation of the said undertaking of each of the Transferor Companies in pursuance of this Scheme shall, except as specifically provided herein be borne and paid by the Transferee Company.

TRANSFEE COMPANY

TRANSFEROR COMPANY NO. 1

TRANSFEROR COMPANY NO. 2

OPENING BALANCE SHEET

(MERGED BALANCE SHEET OF RADICO KHAITAN LIMITED (RKL) , WHYTEHALL INDIA LTD.(WIL)
AND ANAB-E-SHAHI WINES & DISTILLERIES (P) LTD. (AES)) AS ON 01/04/2004)

	AMOUNT RS IN CRORES	
	<u>RADICO 31/03/04</u>	<u>MERGED- 01/04/04</u>
SOURCES OF FUNDS		
SHAREHOLDERS' FUNDS		
Equity share Capital	19.29	19.29
Reserves & Surplus		
Revaluation reserve	9.74	9.74
Other reserves	58.11	58.79
	67.85	68.53
LOAN FUNDS		
Secured Loans	102.13	115.67
Unsecured Loans	32.98	41.72
Deferred Credit	0.51	0.51
Liability for payment ag. Acquisition of shares of transferor companies	0.00	12.34
Liability ag. Net current assets of AES	0.00	0.54
	135.62	170.78
Deferred tax balance	16.87	16.87
TOTAL	239.63	275.47
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross Block	144.22	191.30 ***
Less: Depreciation to date	46.05	51.83
Net Block	98.17	139.47
CWIP	2.69	2.69
	100.86	142.16
INVESTMENTS	8.65	0.01
CURRENT ASSETS , LOANS & ADVANCES		
Accrued Income	1.02	1.05
Inventories	28.88	34.74
Debtors	54.75	61.78
Cash and Bank Balance	2.40	3.44
Loans & advances	81.81	85.08
Total	168.86	186.09
LESS: CURRENT LIABILITIES & PROVISIONS		
Liabilities	47.24	59.16
Provisions	5.57	7.70
Total	52.81	66.86
NET CURRENT ASSETS	116.05	119.23
MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		
Advertisement & Sales promotion exp.	14.07	14.07
TOTAL	239.63	275.47

*** Includes the following :

Appreciation on account of revaluation of WIL Fixed assets by Rs. 1.59 crore,

Capitalisation of Whytehall Brand , Rs. 21 crore,

Appreciation in the value of Fixed Assets of AES by Rs. 1.78 crores

Goodwill of AES valued at Rs.5.70 crores, being the difference of purchase consideration and fair value of assets

Statement showing the fair value of assets and liabilities of Transferor Companies as on 01/04/2004**RS. IN CRORES**

WIL		AES	
VALUE AS PER AUDITED B/SHEET AS ON 31/03/2004	FAIR VALUE AS ON 01/4/2004	VALUE AS PER AUDITED B/SHEET AS ON 31/03/2004	FAIR VALUE AS ON 01/4/2004

ASSETS

NET BLOCK OF FIXED ASSETS	8.91	10.50	2.32	4.10
NET CURRENT ASSETS	10.77	10.77	0.54	-
VALUE OF BRANDS	-	21.00	-	-
TOTAL	19.68	42.27	2.86	4.10

LIABILITIES

SECURED LOAN	11.54	11.54	2.00	2.00
UNSECURED LOAN	8.74	8.74	-	-
SECURITY DEPOSIT FROM DEALERS	1.33	1.33	-	-
SALES TAX LIABILITY	-	-	-	1.80
TOTAL	21.61	21.61	2.00	3.80

EXCESS OF ASSETS OVER LIABILITIES (FAIR VALUE) 20.66 0.30

(NET ASSETS)**NOTES :**

1) In the liquor industry, brand image has a significant impact on the business. Accordingly the brand of the Transferor Company No. 1 (WIL) has been valued by a professional consultancy firm viz Price water house Coopers at Rs. 21.00 crores. The fixed assets of the transferor Company No. 1 have also been got revalued by an approved valuer resulting in an increase of Rs. 1.59 crores.

The investment of Rs. 14.98 crores by the Transferee Company in the Transferor Company No.1 and advance of Rs. 5.00 crores as on the Appointed date, will be adjusted against Rs. 20.66 crores being the excess of assets over liabilities as on the Appointed date and the balance remaining of Rs. 0.68 crores treated as capital Reserve in accordance with the provisions of applicable accounting standard issued by the Institute of Chartered Accountants of India.

2) In Transferor Company No. 2(AES) , the fixed assets have been revalued by an approved valuer , resulting in an increase in the value of these assets by Rs. 1.78 crores. The Transferee Company , while purchasing 100% of the shares has assessed the value of purchase consideration at Rs. 6.00 crores , which is taken into account for determining the resultant goodwill of the Transferor Company No.2 .amounting to Rs.5.70 crores in terms of the applicable accounting standards. The same is appearing in the opening Balance Sheet annexed herewith as Annexure 'A'.

ANNEXURE - B

Shareholding Pattern of Transferor Company No. 1 i.e. Whytehall India Ltd. before merger as on 1.4.2004

SR. NO.	Name of Shareholders	NO. OF SHARES	% OF HOLDING
1	Radico Khaitan Limited	8640000	48.00
2	American Beverages(Mauritius) Ltd.	9179999	51.00
3	Counsel Trading & Investment Pvt.Ltd	179996	1.00
4	Jayant Kapur	1	0.00
5	Sumit Bhattacharya	1	0.00
6	Ajay Bahl	1	0.00
7	Krishan Malhotra	1	0.00
Total		17999999	100.00

Shareholding Pattern of Transferor Company No. 2 i.e. Anab-E-Shahi Wines & Distilleries Pvt. Ltd. before merger as on 01.04.2004

SR. NO.	Name of Shareholders	NO. OF SHARES	% OF HOLDING
1	Radico Khaitan Limited	199994	100.00
2	Radico Khaitan Limited Jointly with Arvind Srivastava	1	0.00
3	Radico Khaitan Limited Jointly with R.K.Mehrotra	1	0.00
4	Radico Khaitan Limited Jointly with Anil Chawla	1	0.00
5	Radico Khaitan Limited Jointly with Mukesh Agarwal	1	0.00
6	Radico Khaitan Limited Jointly with S.K.Khanna	1	0.00
7	Radico Khaitan Limited Jointly with Anuj Kumar Gupta	1	0.00
Total		200000	100.00

Shareholding Pattern of Transferee Company i.e. Radico Khaitan Ltd. before merger as on 1.4.2004

SR. NO.	CATEGORY	NO. OF SHARES	% OF HOLDING
1	Promoters	10840572	56.20
2	Insurance companies	17757	0.09
3	Mutual Funds	1004984	5.21
4	Banks	1190	0.01
5	Private Corporate Bodies	1487204	7.71
6	Indian Public	4868853	25.24
7	NRIs/OCBs	1049704	5.44
8	State Government	6324	0.03
9	State Govt.Fina.Institution	13000	0.07
Total		19289588	100.00

ANNEXURE - C

Shareholding Pattern of Transferee Company i.e. Radico Khaitan Ltd. after merger as on 1.4.2004

SR. NO.	CATEGORY	NO. OF SHARES	% OF HOLDING
1.	Promoters	10840572	56.20
2.	Insurance companies	17757	0.09
3.	Mutual Funds	1004984	5.21
4.	Banks	1190	0.01
5.	Private Corporate Bodies	1487204	7.71
6.	Indian Public	4868853	25.24
7.	NRIs/OCBs	1049704	5.44
8.	State Government	6324	0.03
9.	State Govt. Fina. Institution	13000	0.07
Total		19289588	100.00

SCHEDULE - I

List of Trademarks pertaining to Transferor Company No.1 i.e. Whytehall India Ltd.

INDIA

Trade Mark	Appl. No/ Regn. No.	Filing Date	Class	Goods	Status	Remarks
WHYTEHALL STARRY NIGHTS (label and logo)	1186511	27.3.03	16	Paper and Paper articles, printed matter, publications, books, brochures, printed advertisements	Pending	-
WHYTEHALL STARRY NIGHTS (label and logo)	1186512	27.3.03	33	Alcoholic Beverages	Pending	-
WHYTEHALL STARRY NIGHTS (label and logo)	1186510	27.3.03	09	Video tapes, audio tapes, sound tracks, sound recordings etc.	Pending	-
WHYTEHALL (WORD)	667861	1.6.95	33	Alcoholic Beverages	Pending	-
WHYTEHALL (WORD)	667865	1.6.95	32	Beer, Mineral water etc.	Pending	-
GENESIS (WORD)	667866	1.6.95	32	Beer, Mineral water etc.	Pending	-
GENESIS (WORD)	667862	1.6.95	33	Alcoholic Beverages	Pending	-
MIRACLE (WORD)	667859-B (Regn. No.)	1.6.95	33	Alcoholic Beverages	Registered	Trademark Registration No. - 667859 B. The Registration Certificate was issued on 15.3.2002 and was valid up till 1.6.2002. The said registration has been renewed for a further period of 7 year beginning 1.6.2002 up till 1.6.2009 vide Certificate of Renewal issued by the Trade-mark Registry dated 23.7.2002.
MIRACLE (WORD)	667863 B	1.6.95	32	Beer, Mineral water etc.	Pending	-
THE ROYAL PEG (WORD)	716641	27.5.96	32	Alcoholic Beverages	Pending	-
THE ROYAL PEG (WORD)	716640	27.5.96	33	Beer, water etc.	Pending	-
WHYTEHALL	01051680	12.10.01	21	Household utensils and containers, Glassware, crockery, decanters, openers etc.	Pending	-
WHYTEHALL (WORD)	01051677	12.10.01	32	Beer, Mineral water etc.	Pending	-
WHYTEHALL (WORD)	01051678	12.10.01	33	Alcoholic Beverages	Pending	-
WHYTEHALL 5 (WORD)	01051679	12.10.01	21	Household utensils and containers, Glassware, crockery, decanters, openers etc.	Pending	-
WHYTEHALL 5 (WORD)	01051681	12.10.01	32	Beer, Mineral water etc.	Pending	-
WHYTEHALL-5 (WORD)	01051676	12.10.01	33	Alcoholic Beverages	Pending	-

TANZANIA

Trade Mark	T.M.No.	Filing Date	Class	Goods	Status	Remarks
*WHYTEHALL CLASSIC DELUXE WHISKY (WORD)	210/98	1.10.98	43	Fermented Liquors & spirits	Registered and valid till 1.10.2012	Registration Certificate issued on 5.10.98. Trademark Registrations are valid for a period 14 years from the date of filing of application.
GENESIS RARE PREMIUM WHISKY (WORD)	211/98	1.10.98	43	Fermented Liquors & spirits	Registered and valid till 1.10.2012	Registration Certificate issued on 5.10.98. Trademark registrations are valid for a period 14 years from the date of filing of application.
THE ROYAL PEG PRESTIGE WHISKY (WORD)	212/98	1.10.98	43	Fermented Liquors & spirits	Registered and valid till 1.10.2012	Registration Certificate issued on 5.10.98. Trademark registrations are valid for a period 14 years from the date of filing of application.
WHYTEHALL-5 (WORD)	231/2003	26.6.03	43	Fermented Liquors & spirits	Registered & valid till 26.6.2017	Registration Certificate issued on 26.6.2003.
WHYTEHALL-5 (WORD)	228/2003	26.6.03	44	Mineral & aerated waters etc.	Registered & valid till 26.6.2017	Registration Certificate issued on 26.6.2003.
WHYTEHALL-5 PREMIUM BLENDED WHISKY (WORD)	229/2003	26.6.03	43	Fermented Liquors & spirits	Registered & valid till 26.6.2017	Registration Certificate issued on 26.6.2003.
WHYTEHALL-5 PREMIUM BLENDED WHISKY (WORD)	230/2003	26.6.03	44	Mineral & aerated waters etc.	Registered & valid till 26.6.2017	

SRI LANKA

Trade Mark	Appl.No.	Filing Date	Class	Goods	Status	Remarks
WHYTEHALL CLASSIC DELUXE WHISKY (WORD)	86208	10.12.97	33	Whisky	Pending	-
THE ROYAL PEG PRESTIGE WHISKY (WORD)	86206	10.12.97	33	Whisky	Pending	-
GENESIS RARE PREMIUM WHISKY (WORD)	86207	10.12.97	33	Whisky	Registered and valid till 10.12.2007	Registration Certificate was issued on 21.3.2000. Registration is valid for a period of 10 years from the date of application.

MOROCCO

Trade Mark	T.M.No.	Filing Date	Class	Goods	Status	Remarks
WHYTEHALL(WORD)	87172	30.6.2003	32&33	Beers, mineral water etc; Whisky, rum, gin, alcoholic beverages etc.	Registered and valid for 20 years	-
WHYTEHALL CLASSIC DELUXE WHISKY (WORD)	87173	30.6.2003	32&33	Beers, mineral water etc; Whisky, rum, gin, alcoholic beverages etc.	Registered and valid for 20 years	-
WHYTEHALL-5(WORD)	87174	30.6.2003	32&33	Beers, mineral water etc; Whisky, rum, gin, alcoholic beverages etc.	Registered and valid for 20 years	-
WHYTEHALL-5 PREMIUM BLENDED WHISKY (WORD)	87175	30.6.2003	32&33	Beers, mineral water etc; Whisky, rum, gin, alcoholic beverages etc.	Registered and valid for 20 years	-

NEPAL

Trade Mark	T.M.No.	Filing/Reg. Date	Class	Goods	Status	Remarks
WHYTEHALL CLASSIC DELUXE WHISKY (WORD)	15102/056	23.3.2000	33	Whisky, Rum, Gin, Alcoholic Beverages etc.	Registered & valid till 23.03.2007	-
WHYTEHALL-5 PREMIUM BLENDED WHISKY (WORD)	21472	8.4.2004	32	Beers, Ale, Aerated waters & other non-alcoholic drinks, fruit juices & fruit drinks	Registered & valid till 8.4.2011	-
WHYTEHALL-5 PREMIUM BLENDED WHISKY (WORD)	21471	8.4.2004	33	Whisky, rum, gin, alcoholic beverages etc.	Registered & valid till 8.4.2011	-
WHYTEHALL-5 (WORD)	21469	8.4.2004	33	Whisky, rum, gin, alcoholic beverages etc.	Registered & valid till 8.4.2011	-
WHYTEHALL-5 (WORD)	21470	8.4.2004	32	Beers, Ale, Aerated waters & other non-alcoholic drinks, fruit juices & fruit drinks	Registered & valid till 8.4.2011	-

BHUTAN

Trade Mark	Appl.No.	Filing Date	Class	Goods	Status	Remarks
WHYTEHALL CLASSIC DELUXE WHISKY (WORD) 1378	BT/M/98/	1.6.1998	33	Whisky, rum, gin alcoholic beverages etc.	Pending	-
THE ROYAL PEG PRESTIGE WHISKY (WORD)	BT/M/98/ 1380	1.6.1998	33	Whisky, rum, gin alcoholic beverages etc.	Pending	-
GENESIS RARE PREMIUM WHISKY (WORD)	BT/M/98/ 1379	1.6.1998	33	Whisky, rum, gin alcoholic beverages etc.	Pending	-

SCHEDULE - I

List of Trademarks pertaining to Transferor Company no. 2 i.e. Anab-e-Shahi Wines and Distilleries Private Limited

1. Golden Fine Whisky
2. Kay Kay Lion Whisky
3. Monarch Fine Whisky
4. Highworld XXX Rum
5. Foursquare Whisky
6. McMillan Fine Brandy
7. Kay Kay Dry Gin
8. Kay Kay XXX Rum
9. Kay Kay Malted Whisky
10. Green City Fine Whisky
11. Chitra Dry Gin
12. Chitra XXX Rum
13. Super Strong XXX Rum

SCHEDULE - II

List of Immoveable Assets and Plant & Machinery of Transferor Company No. 1 i.e Whytehall India Limited

Immoveable Assets

All that pieces or parcel of land, hereditaments and premises admeasuring approx. 7566 Square meters or thereabouts being plot no. 411 and 412 in village Panwaria, Tehsil Sadar, district Rampur U.P vide sale deed dated 5.12.1997 of plot no.s 411 & 412 admeasuring 469 square meters & 7097 square meters .

Details of Building , Plant & Machinery of Whytehall India Limited

Particular	Area
BUILDING & FACTORY SHEDS	
1. Bottling Hall	366.6 Sq. Mtr.
2. Brushing Unit	1 no.
3. Store Room	99.33 Sq. Mtr.
4. Security Room	12.0 Sq. Mtr.
5. Office Room	24.86 Sq. Mtr.
6. Bath Room	21.76 Sq. Mtr.
7. Excise Room	24.86 Sq. Mtr.
8. Packing Shed	-
9. Lunch Room	-
10. Meter Room	15.0 Sq. Mtr.
11. Washing Hall	502.0 Sq. Mtr.
12. ENA Shed	-
13. Generator	70 Sq. Mtr.
14. Compound Wall	
15. Water Tank	

Buildings

Boundary Wall	273.84 Meter
Maturation hall	20x40 Meter
Label Racks	21 nos
Malt Spirit Plant	42.9 x 21.8 Meter
Bottling Section	23.5 x 15.6 Meter
Storage Area	11.1 x 11.7 Meter
Washing Hall	27.0 x 18.6 Meter
Loading Shed	12.0 x 7.0 Meter
Go down FG	17.6 x 11.6 Meter

Plant and Machinery

Bottling Machine	1 no. 6 head SPR Marketing
Gravity filling m/c	1 no. 6 head SPR Marketing with vacuum pump.
Vacuum filling m/c	4 nos Make SPR Marketing
S.A. Sealing m/c	2 nos tunnel type Make SPR Marketing.
Bottling Washing m/c	2 nos Local made.
Screening	4 nos
Manual gumming m/c	2 nos Local made
Belt conveyor	2 nos SPR marketing
SS conveyor	1 no. A Von Make
Electric Hoist	1 no. codo printing m/c.
Label Coding m/c	List attached.
Fire Fighting equipments	4 nos.
MCC Panel	1 no. & 22 no. Racks
Maturation hall & Racks	2 nos Pot still with complete set up. condenser. Lautertun alfa level make, Air compressor 2 nos. Fementors 6 nos. DM water tank 4 nos.
Plant and machinery	4 nos . Alfa level Make.
Plate heat exchanger	19 nos. Alfa level make.
Pump & motor	7 nos.
Reduction & Blending vats	3 nos.
Bottling Vats	7 nos. 20 KL each
Storage Vats	3 nos. 18 K.L. each
Malt Storage Vats	1 no..20 KL.
Malt Storage Vats	2 nos.
Hydrometer	
Lab equipments	1 no. Jindal Make
Laminar flow	1 no. Chemito make
GLC with Printer	1 no. Jindal make
Oven	1 no.
Bursting strength /c	1 no.
Weighing m/c	1 no. Jindal make
Auto clave	1 no. Jindal Make
Incubator	1 no. CL Dhiman make 2 T per hour
Milling m/c	20 K.L. Per hour. KSB Make
Bore Well	70 K.L. Per hour , Make Paharpur.
Cooling Tower	125 KVA , Make- Jakson.
D.G. Set	Domino Make. With UPS.
Ink Jet Printer	Filter cartridge 10 micron, 7 nos.
Filter cartridge	Voltas make, 20 Ton.
Chiller	Plate & frame , Dulton make,
Filter	

SCHEDULE - II

List of Immovable properties of Transferor Company No. 2 i.e. Anab-e-Shahi Wines & Distilleries Private Limited

All that pieces and parcel of land admeasuring 6 acres and 10 guntas equivalent to 2.5 hectares in serial no.59 in village Thimmapur, within Grampanchayat Kottoor, Panchayat Samithi Block, Shadnagar, Taluk shadnagar and sub District, District Mehboobnagar and District Registrar and zilla prajaparishad and Kothur M.P Mandal, vide Sale Deed document no.2951/92 dated 27.11.1992.

DETAILS OF PLANT & MACHINERY

Particulars	Width in Ft.	Length in Ft.	Height in Ft.
BUILDING & FACTORY SHEDS			
1. Bottling Hall	138	107	30
2. Brushing Unit	10	28	12
3. Pump Room	15	12	
4. Store Room	13	72	
5. Security Room	12	12	
6. Office Room	30	73	
7. Bath Room	13	50	
8. Excise Room	13	30	
9. Packing Shed	48	22	25
10. Lunch Room	28	110	15
11. Meter Room	10	10	
12. Washing Hall	27	76	22
13. ENA Shed	27	53	22
14. Generator & DM Plant	30	36	0
15. Compound Wall	420	665	
16. Water Tank			68000 Ltr. Capacity

PLANT & MACHINERY

A. Conveyor - 1

1. Rotary Rinsing Machine - Gear Box Motor	1
Water Pumps	2
2. Flat Conveyor Motor	1
3. Filling Machine 6 Head Compressor Motors (Sri Wen Make) 1 HP + 1 HP	2
4. Testing Conveyor - Gear Box with Motor	1
5. Cap Selling - 3 Amps. (Make Bhuvaneshwar)	1
6. Cap Selling Machine-3 Amps. (Marvel ACC)	1
7. Cap Selling Machine -4 Amps. (Sri Wen)	1
8. Labeling Machine - Gear Box (Automatic Bhuvaneshwar) Vacuum Pump Motor	1
9. Packing Conveyor Motor (S.S.)	1

B. Conveyor - 2

1. Rotary Rinsing Machine - Gear Box Motor	1
Water Pumps Motor 2 Nos.	2
2. Flat Conveyor Motor	1

3.	Filling Machine 6 Head Compressor Motors	2
	(Sri Wen Make) 1 HP	1
	(Sri Wen Make) 1 HP	1
4.	Testing Conveyor - Gear Box with Motor	1
5.	Cap sealing Machine - 3 Amps. (Make Bhuvaneshwar)	1
6.	Cap Sealing Machine - 4 Amps. 2 Nos. (Make Bhuvaneshwar)	2
7.	Labeling (Semi Auto) Machine	1
8.	Labeling (Semi Auto) Machine	1
9.	Packing Conveyor Motor (S.S.)	1

C. Conveyor - 3 (Automatic Conveyor)

1.	Automatic Tunnel Washing Machine (S.S.) Gear Box with Motor	1
	Water Pressure Pumps 3 Nos.	3
	Flat Conveyor Cloth Gear Box with Motor	1
2.	Flat Conveyor Gear Box Motor	1
3.	Filling & Sealing automatic S.S. Gear Box with Motor	
	Vacuum Pump Motor	1
	CAP Sealing Machine Motor	1
	Sealing Machine Up / Down Motor	1
4.	Testing Chain Conveyor Gear Box with Motor	1
5.	Labeling Machine S.S. Gear Box with Motor	1
6.	Packing Conveyor Gear Box Motor	1
7.	L.G. Compressor Motor 9.5 (Capacity)	1

ENA Tanks

Tank No.1	26.30 KL
Tank No.2	24.90 KL
Tank No.3	26.30 KL
Tank No.4	26.40 KL
Tank No.5	33.10 KL
Tank No.6	33.10 KL

Blending Tanks

Tank No.1	11.9 KL
Tank No.2	9.0 KL
Tank No.3	9.0 KL
Tank No.4	8.1 KL
Tank No.5	8.2 KL
Tank No.6	7.7 KL
Tank No.7	7.7KL
Tank No.8	12.3 KL
Tank No.9	10.5 KL
Tank No.10	10.5 KL
Tank No.11	10.5 KL
Tank No.12	20.0 KL
Tank No.13	20.0 KL
Tank No.14	20.0 KL

D. ENA Store Room

1.	ENA Transfer Motor FP	1
2.	ENA Transfer Motor FP	1
3.	ENA Transfer Motor FP	1

Blending Room	
1. Alfa Level Motors - 2 Nos.	2
Filters	
1. Filer Motor Flame Proof Pumps	1
2. Filter Motor Flame Proof Pumps (F.P.)	1
3. Filter Motor Remi Motor Flame Proof	1
Storing Motors	
1. Storing Motor with Gear Box (Kle)	1
2. Storing Motor with Gear Box (Kle)	1
3. Storing Motor with Gear Box (Kle)	1
4. Storing Motor with Gear Box (Kle)	1
5. DM Water Transfer Pumps (C.G.Flame Proof)	1
DM Plant	
1. Water Transfer Pump	1
2. Air Compressor Pumps	1
3. D Geyser Pumps	1
4. Water Sand filter Motor	1
5. Borwell Submersible Pumps (Motor) - CRI Pumps	1
6. C.R.I. Pumps	1
7. Sump Transfer Pump	1
8. For D.M. Air transfer	150
LDF Film	100
Unique BST	
BST Testing Machine	
C.C. Box	
1. Genuder (Ele) Motor	1
Bottle Brushing Unit	
Brush Motors 3 Nos.	3
Bacth Printing Machine 2 Nos. ½ HP	
Hand Gumming Machine 2 Nos. ½ HP	
Hand Sealing Machine 3 Nos.	
Generator Set (AC) Kirloskar 125 KV	
Holding Tanks	
Tank No.1	1.2 KL
Tank No.2	1.1 KL
Tank No.3	1.2 KL
Tank No.4	1.2 KL
200 Ltrs. Drums	5 Nos.
100 Ltrs. Drums	2 Nos.
300 Ltrs. Rejection Tanks	3 Nos.
2 Filter each having	16 Plates
1 Filter having	9 Plates

BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION

CASE NO.114/90 RE: ABHISHEK CEMENTS LTD.

BENCH - II

ORDER

Abhishek Cements Ltd. (ACL) filed the reference under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 (hereinafter referred to as 'the Act') and on 10.1.91 the company was declared sick u/s 3(1) (o) of the Act and ICICI was appointed as the Operating Agency (OA) u/s 17(3) of the Act for preparing a scheme for the rehabilitation of the company. The Board had also asked ICICI to explore the feasibility of rehabilitating the unit by merger with Rampur Distillery and Chemicals Company Limited (RDCCL) (now known as Radico Khaitan Limited, RKL). ICICI submitted a scheme which envisaged the grant of tax benefits under Section 72 (A) of the Income Tax Act to the merged company. However, it was observed by BIFR that there was no justification for granting tax benefits under Section 72 (A). The company then offered a one-time settlement (OTS) of institutional/bank overdues comprising of repayment of term loans, FITL and simple interest upto September 30, 1992. The proposal was accepted at the SEM-I held in January 1993 also. However, the company later on withdrew the one-time settlement proposal. Subsequently, in 1994 RKL submitted a revised proposal for OTS which proposed the reverse merger of RKL with ACL with effect from 1.1.1997 along with conversion of the entire principal and FITL dues of the involved banks and institutions into the equity of the amalgamated company. The above scheme had initially been approved by the institutions/bank but subsequent to a fall in the share price of RKL the institutions/bank had impressed upon the company to submit an alternate proposal.

2. ICICI thereafter submitted a rehabilitation scheme, in October 1997, envisaging the reverse merger of RKL with ACL on the lines mentioned earlier but envisaging a cash settlement. However, RKL was split into three companies, controlling respectively fertilizer, soya and distillery units, as per a scheme of arrangement. The BIFR had at its meeting held on 4.6.1998 asked ICICI, the OA, to prepare a rehabilitation proposal envisaging reverse merger of the residual RKL, which would own the distillery unit, with ACL. Accordingly, the proposal of ICICI (OA) was considered by the banks and institutions and also discussed in the joint meeting held by the OA on 14.11.98. As the scheme was agreed to all concerned, it was circulated by the Board as draft rehabilitation scheme (DRS) on 23.2.99.
3. The objections/suggestions to the DRS were considered on 7.5.99 and the Bench could not sanction the scheme in view of certain clarifications to be sought from the company regarding issues of tax benefits with CBDT authorities and sales tax authorities and other details / clarifications. The company submitted its clarification and subsequent developments on 11.5.99 to the Board. The OA (ICICI) was directed by BIFR on 7.9.99 to submit the revised DRS incorporating the income tax / sales tax benefits available to the company and also taking into account the reverse merger of RKL with ACL. The OA vide their letter dated 23.5.2001 submitted its final report incorporating all the modifications as directed by the Board on 7.9.99. The Board then again circulated the DRS on 14.9.2001 to all concerned u/s 19(1) read with Section 19 (2) of the Act. The objections and suggestions to the DRS were considered in the hearing held on 1.2.2002.
4. The Bench heard the objections / suggestions to the Draft Rehabilitation Scheme (DRS) on 1.2.2002 and withheld the sanctioning of the Scheme for want of the proof of compliance of Section 18 (3) proviso of the Act. It had also noted issued a show cause notice (SCN) on 7.2.2002 for failing to produce the Special Resolution passed in general meeting of shareholders despite the submissions made in the hearing held on 1.2.2002. The Company produced the necessary Resolutions passed in their extraordinary general meeting on 27.3.2002. The Board having considered the material on record and submissions, in exercise of powers conferred under Section 18 (4), read with Section 19 (3) of the Act, sanctioned the enclosed Scheme for rehabilitation of the company.

(N.P. BAGCHEE)
MEMBER

(G. NARAYANAN)
MEMBER

Dated:30.12.2002

BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION

CASE NO.114/90 RE: ABHISHEK CEMENTS LIMITED (ACL)

BENCH - II

SANCTIONED SCHEME

1.0 INTRODUCTION AND BACKGROUND

- 1.1 Abhishek Cements Ltd. (ACL), an assisted company of the financial institutions (lead ICICI), had facilities for the manufacture of 100 tonnes per day (tpd) of ordinary portland cement based on vertical shaft kiln (VSK) technology at Village Patnakuan, District Damoh in Madhya Pradesh. The cost of the project, originally estimated at Rs.297 lakhs, was proposed to be financed by term loans of Rs.180 lakhs, equity share capital of Rs.92 lakhs and subsidy of Rs.25 lakhs. However, the project underwent both a time and cost overrun due to inadequate project implementation, lack of basic infrastructure at the site and a delay in the delivery of the plant of the turnkey supplier - Binny Ltd. As a result, the company commenced commercial production in February 1986 as against the appraisal estimates of February, 1985 and the cost of the project was revised to Rs.373 lakhs. The cost overrun of Rs.76 lakhs was financed by additional institutional assistance of Rs.35 lakhs, subsidy of Rs.15 lakhs from the State Government and retention of over subscription of the public issue to the extent of Rs.26 lakhs.
- 1.2 The company's performance was unsatisfactory since inception. The capacity utilisation had remained low and the company was incurring cash losses. The company's plant ran intermittently during 1992-93. The electricity supply to the company was discontinued in October, 1992 on account of non-payment of bills and the factory was lying closed since then. The operations of ACL were unviable and given the present situation, the company was unlikely to be in a position to service its obligations to the institutions in the near future. The entire share capital of ACL of Rs.117 lakhs as on March 31, 1998 was fully eroded and the networth of the company on that date stood at a negative figure of Rs.777 lakhs.
- 1.3 The main reasons for sickness were as follows:
- (a) Difficult location of the project without the basic infrastructure in terms of telecommunications, transport, etc.
 - (b) Improper execution of the project including exclusion of certain essential equipment/ facilities like EOT crane, DG set, internal roads etc.
 - (c) Inadequacy of management set up. Due to the absence of adequate social infrastructure in Damoh and no effort by the company to invest in the same, ACL found it difficult to recruit and retain suitable personnel.
 - (d) Sluggish market for cement.
 - (e) Liquidity problems.
 - (f) Higher capitalisation cost vis-à-vis other mini-cement plants of similar capacity. Against the capital cost for ACL of Rs.373 lakhs, the cost of other plants ranged between Rs.241 lakhs and Rs.330 lakhs.
- 1.4 ACL made an application to the Board for Industrial and Financial Reconstruction (BIFR) under Section (15) of Sick Industrial Companies (Special Provisions) Act, 1985 (hereinafter referred to as 'the Act') for determination of measures to be adopted in respect of its affairs. A hearing was held by BIFR on January 10, 1991 and the company was declared sick u/s 3 (1) (0) of the Act and ICICI was appointed as the 'Operating Agency' (OA) u/s 17 (3) of the Act for preparing a scheme for the rehabilitation of the company. In its order, BIFR had inter-alia asked ICICI to explore the feasibility of rehabilitating the unit by merger with Rampur Distillery and Chemicals Company Limited (RDCCL) (now known as Radico Khaitan Limited, RKL). ICICI submitted a scheme which envisaged the grant of tax benefits under Section 72 (A) of the Income Tax Act to the merged company. However, it was observed by BIFR that there was no justification for granting tax benefits under Section 72(A) since the profitability and cash balance position of RKL was comfortable and the company had been granted substantial reliefs and concessions under an earlier rehabilitation scheme.

- 1.5 In January 1993, the company offered a one-time settlement of institutional/ bank overdues comprising of repayment of term loans, FITL and simple interest upto September 30, 1992. The proposal was accepted at the SEM-I held in January 1993 also. However, the company later on withdrew the one-time settlement proposal. During the interregnum, there had been a two way split in the Khaitan family as a result of which, Mr. Kamesh Khaitan relinquished all his interest in ACL and RKL. Subsequently, in 1994 RKL submitted a revised proposal for OTS which proposed the reverse merger of RKL with ACL with effect from 1.1.1997 along with conversion of the entire principal and FITL dues of the involved banks and institutions into the equity of the amalgamated company @Rs.25/- per share and down payment of 25% of simple interest on principal and FITL. The above scheme had initially been approved by the institutions/ bank but subsequent to a fall in the share price of RKL the institutions/ Bank had impressed upon the company to submit an alternate proposal.
- 1.6 ICICI had submitted a rehabilitation scheme, in October 1997, envisaging the reverse merger of RKL with ACL on the lines mentioned earlier but envisaging a cash settlement. However, RKL was now being split into three companies, controlling respectively fertilizer, soya and distillery units, as per a scheme of arrangement. The BIFR had at its meeting held on 4.6.1998 asked ICICI, the OA, to prepare a rehabilitation proposal envisaging reverse merger of the residual RKL, which would own the distillery unit, with ACL. Accordingly the proposal of ICICI (OA) was considered by the banks and institutions and also discussed in the joint meeting held by the OA on 14.11.1998. The OA submitted its report on 17.11.1998 along with the minutes of the joint meeting of 14.11.1998, as per which there was general consensus regarding the scheme. Accordingly, the Bench also approved the scheme for circulation as draft rehabilitation scheme (DRS) and the same was circulated on 23.2.1999.
- 1.7 The objections/ suggestions to the DRS were considered on 7.5.1999 and the Bench observed that the scheme could not be sanctioned unless the company sorted out the issues of tax benefits with CBDT, authorities and sales tax authorities and provided other details/ clarifications. The company submitted its clarification and subsequent developments on 11.5.1999 to the Board. The OA (ICICI) was directed by BIFR on 7.9.1999 to submit the revised DRS incorporating the income tax/ sales tax benefits available to the company and also taking into account the reverse merger of RKL with ACL. The OA vide their letter dated 28.10.1999 submitted the revised DRS, in which some loose ends were noticed. The OA then forwarded a revised DRS after tying up the loose ends on 24.4.2000. After considering the modified DRS, it was found that some loose ends were still there in the scheme till October 2000, The OA then vide their letter dated 23.5.2001 intimated to the Board that all the modifications had been done and there were no further changes proposed to the DRS. The Board then circulated the DRS on 14.9.2001 to all concerned u/s 19(1) read with section 19(2) of the Act. The objections and suggestions to the DRS were considered on 1.2.2002 and the Bench after hearing all the participants in the hearing sanctioned the DRS to be circulated as 'the Sanctioned Scheme' u/s 18(4) of the Act.

1.8 BRIEF OF RADICO KHAITAN LTD.:

- (a) RKL was incorporated in 1943 under the name of 'The Rampur Distillery & Chemical Company Ltd. The company was taken over by Khaitan Group of Industries in 1977. The company had a distillery at Rampur, U.P. with an installed capacity of 33.5 million litres per annum. The alcohol products division of the company had facilities for the manufacture of rectified spirit, silent spirit and cane juice spirit. The company manufactured Indian Made Foreign Liquor (IMFL) for Shaw Wallace & Co. Ltd. and also had its own brands in the domestic market. RKL also had facilities for the manufacture of single super phosphate fertiliser (installed capacity 66000 tonnes per annum (tpa)) and sulphuric acid (installed capacity 3000 tpa). The company also had a soya solvent extraction project with an installed capacity of 300 tonnes per day at Ratlam, M.P. and a project for the manufacture of 460 kilolitres per annum of Malt Spirit.
- (b) RKL had undertaken a restructuring scheme envisaging trifurcation of the company along its three businesses viz. distillery, fertilizer and soya oil. The fertiliser and soya oil divisions were proposed to be transferred to two separate companies viz. Maheshwari Drinks Limited (MDL) and Swaran Dhara Oil Mills Limited (SDOML) respectively while the distillery division would comprise of the residual

Radico Khaitan Limited. The assets and liabilities of RKL were split on the basis of book value and the effective date of the scheme was January 1, 1997. The High court approved the said scheme on November 27, 1998.

(c) The balance sheet of Radico Khaitan Limited, as on January 1, 1997, was trifurcated as under:

(Rs. in lakhs)

Particulars	As on 31.12.1996	As on 1.1.1997			Total
	RKL	Residual RKL Distillery	MDL Fertilizer	SDOML Soya Oil	
Liabilities					
Equity share capital	2263	1408	352	503	2263
Reserves and surplus	5453	3486	523	1445	5453
Secured loans					
Non-convertible debentures	2400	1528	256	616	2400
Term loans	159	28	6	125	159
Bank borrowing	1749	753	279	717	1749
Unsecured loans	1632	1520	51	60	1632
Deferred credits	55	55	0	0	55
Current liabilities	2500	1477	668	355	2500
Total	16211	10255	2135	3821	16211
Assets					
Net fixed assets (incl. CWIP)	3510	2023	355	1122	3510
Investments	3088	3087	1	0	3088
Current assets/ loans and adv.	9468	5000	1779	2689	9468
Misc. exp. not written off	145	145	0	0	145
Total	16211	10255	2135	3811	16211

2.0 THE SCHEME

2.1 Amalgamation of residual RKL with ACL.

- i) The company now proposed the amalgamation of the residual RKL with ACL with effect from January 1, 1997. The main features of the scheme of amalgamation as proposed earlier were as follows:
 - (a) The scheme would be effective from the transfer date, i.e. 1.1.1997.
 - (b) With effect from the date of merger, all rights, powers, interests, authorities, privileges, liberties and all properties and assets, whether moveable or immovable as well as all debts, liabilities, duties and obligations including all creditors of RKL would be transferred to and vested in the merged entity RKL/ACL.
 - (c) ACL, after the proposed merger would be renamed as Radico Khaitan Limited and the registered office of the company would be at Rampur, U.P. with the same nominal or authorized capital as that of RKL. The equity shares of the company after the merger would be listed at the Kanpur, Delhi, Mumbai stock exchanges as well as in the National Stock Exchange (NSE).

- (d) The merger scheme involved restructuring of the capital of ACL. The paid up equity share capital of ACL would be reduced from Rs.116.88 lakhs to Rs.11.688 lakhs (one tenth) by cancelling the paid up capital to the extent of Rs.9/- per equity share (face value Rs.10/-). Immediately on reduction, ten shares of Rs.1/- each (as reduced) would be consolidated into one share of Rs.10/- each fully paid.
- (e) Post amalgamation the existing shareholders of RKL would hold one share of the amalgamated company for every one share held by them.

2.2 Settlement of dues of banks and institutions by:

- (i) Conversion of entire principal, FITL and WCTL dues into non-convertible debentures carrying 'nil' rate of interest and redeemable in three annual instalments at the end of third, fourth and fifth year from the date of issue.
- (ii) Down payment of 25% simple interest upto the date of sanction of scheme (tentatively assumed for calculations as 30.4.2000).
- (iii) Waiver of full penal and compound interest and 75% of simple interest upto the date of sanction of scheme.

2.3 Capital expenditure of Rs.75 lakhs on repairs and overhauling of plant and machinery of the cement unit i.e. ACL.

2.4 POST MERGER BALANCE SHEET OF AMALGAMATED COMPANY AS ON JANUARY 1, 1997

Particulars	(Rs. in lakhs)		
	ACL	RKL	Amalgamated Company (January 1, 1997)
3.1 Capital and Liabilities			
- Equity Share Capital	117	1408	1420
- Reserves and Surplus	40	3486	3631
- Term Loans	0	0	0
- Principal	224	28	252
- FITL	79	0	79
- WCTL	5	0	5
- Interest overdues	310	0	310
- NCD	0	1528	1528
- Unsecured Loans	92	1520	1612
- Bank Borrowings	20	753	773
- Deferred credit	0	55	55
- Current Liabilities	46	1477	1523
Total	933	10255	11188
3.2 Assets			
- Net Fixed Assets	80	2023	2103
- Investments	0	3087	3087
- Current Assets	29	5000	5029
- Miscellaneous Exp. not w/o	0	145	145
- Profit and Loss a/c	824	0	824
Total	933	10255	11188

3.0 COST OF SCHEME AND MEANS OF FINANCE

Particulars	(Rs. in lakhs) Amount
3.1 Cost of scheme	
- Capital expenditure	75
- Additional margin money	15
Settlement of dues of banks and institutions	
- Conversion of loans/ bank borrowings into NCD	328
- Payment of interest overdues (25% simple interest)	126
Total	544

	(Rs. in lakhs)
3.2 Means of Finance	
Increase in NCD (conversion)	328
Cash accruals of RKL	216
Total	544

3.3 Quantification of sacrifices

(a) Institutions and Banks

The monetary value of the sacrifices, on the part of the institutions and banks, arising out of the provision of reliefs and concessions, as outlined above, works out to Rs.973 lakhs as detailed below.

Particulars	(Rs. in lakhs) Amount
Waiver of penal interest	
- Institutions	547
- Banks	50
Waiver of simple interest (Banks and Institutions)	376
Monetary value of sacrifices	973

The cut-off date for the issue of debentures would be the date of approval of the scheme. However, for the purposes of calculation the cut off date had been assumed as April 30, 2000. The figures provided were provisional, as detailed position had not been provided by institutions.

(b) Tax benefit:

The tax benefits allowed by the CBDT would be as under:

Particulars	(Rs. in lakhs) Amount
Carried forward losses including investment allowance (under Section 72)	196.7
Waiver of interest (under Section 41(1))	53.9
Tax benefit @ 38.5% (35% + 10% surcharge)	96.5

4.0 RELIEFS AND CONCESSIONS

The proposed settlement with institutions/ bank would be as given below:

4.1 Institutions

- (a) The principal and funded interest to be converted into Zero percent non convertible debentures to be redeemed in 3 equal instalments at the end of the third, fourth and fifth year from the date of issue. The date of issue

of debentures would be the date of approval of scheme by BIFR.

- (b) The entire penal interest (compound interest and liquidated damages) and 75% of the simple interest due and accrued on the above upto the cut-off date would be waived and the balance 25% of the simple interest to be paid upfront in cash.
- (c) The cut-off date would be the date of sanction of scheme. For the purposes of calculation the cut off date had been taken as April 30, 2000.

4.2 Bank

- (a) The term loan, funded interest term loan and working capital term loan to be converted into Zero percent debentures to be redeemed in 3 equal instalments at the end of the third, fourth and fifth year from the date of issue. The date of issue of debentures would be the date of approval of scheme by BIFR.
- (b) The entire penal interest (compound interest and liquidated damages) and 75% of the simple interest due and accrued on the above upto the cut-off date (date of issue of debentures) would be waived and the balance 25% of the simple interest to be paid upfront in cash.
- (c) The simple interest on the cash credit to be calculated as per the document rate and 75% of the above to be waived and the balance 25% to be paid upfront in cash. The cash credit to be converted into Zero percent debentures to be redeemed in 3 equal instalments at the end of the third, fourth and fifth year.
- (d) The entire penal interest on the above to be waived.

(The cut-off date would be 30.04.2000. For the purposes of calculation the cut off date had been taken as April 30, 2000.

In the event, the amalgamated company was not able to discharge its Institutional/ Bank commitments within one month from the date of approval of the scheme by BIFR, the outstandings would carry PLR rate of interest for the Banks and Institutions on quarterly instalments).

4.3 State Government

The company had sought certain reliefs and concessions from the Government of Madhya Pradesh which vide its letter dated 4.1.2000 to the BIFR had indicated that no benefits would be provided to the company. Accordingly in the projections attached to this DRS, the OA, had assumed a higher power tariff of Rs.3.5 per unit compared to Rs.2.2 per unit.

4.4 Central Government

The Secretary, Central Board of Direct Taxes, North Block, New Delhi-110 001.

- (a) To permit filing fresh Income tax returns de novo for the period ACL had been a sick company.
- (b) To exempt / grant relief to the company from the provisions of Section 72 and 41 (1) of the Income Tax Act.
- (c) To exempt the company from the penal provisions of the Income Tax Act, Companies Act, Excise Tax Act and other laws.

4.5 Promoters / Management

- (a) To allocate/ provide internal accruals/ funds aggregating Rs.216 lakhs towards cost of scheme including margin money requirements and payment of 25% interest over dues.
- (b) To undertake to bring in further funds in the form of interest free unsecured loans to finance any shortfall in cash generation and to meet the repayment obligations to banks/ FIs without default including statutory liabilities and other obligations.

5.0 VIABILITY

- 5.1 The future profitability estimates were based on the assumptions provided in Annexure 1. The cost of production statement, statement of distribution of profits, funds flow statement and proforma balance sheet were provided in Annexure 2 to 5. The net worth of the company would turn positive immediately on its merger with RKL and the cement unit of the merged company (i.e. erstwhile ACL) would be generating profit from the first year itself.

5.2 Cement Division

A summary of the financial indicators of the cement unit would be as under:

Year ended December 31	(Rs. in lakhs)			
	2000	2001	2002	2003
Total Income (TI)	95	228	285	285
PBILD/LBILD	8	13	19	19
% PBILD to TI	9	6	7	7
Interest (working capital)	4	4	6	6
Depreciation	17	0	0	0
Operating profit (OP)	(13)	9	13	13
% OP to TI	-ve	4	5	5

5.3 Residual RKL

Year ended December 31	(Rs. in lakhs)			
	2000	2001	2002	2003
Total Income (TI)	17500	20000	20000	20000
PBILD/LBILD	1350	1550	1550	1550
% PBILD to TI	8	8	8	8
Interest	587	586	521	449
Depreciation	191	230	233	235
Misc. exp. w/o	115	115	115	115
Operating profit (OP)	457	619	681	751
% OP to TI	3	3	3	4

5.4 Amalgamated Company

The future profitability of the amalgamated company would be as under:

Year ended December 31	(Rs. in lakhs)			
	2000	2001	2002	2003
Total Income (TI)	17595	20228	20285	20285
Profit before interest, lease and Depreciation (PBILD)	1358	1563	1569	1569
% of PBILD to TI	8	8	8	8
Interest	591	590	527	455
Depreciation	208	230	233	235
Misc. exp. w/o	115	115	115	115
Operating Profit (OP)	445	629	695	765
% of OP to TI	3	3	3	4
Extraordinary Income (Waiver of Interest)/ Non cash	376	0	0	0
Tax	33	47	52	57
Profit after Tax	412	581	643	708
Net Cash Accruals	734	926	991	1057
Equity Share Capital	1434	1434	1434	1434
Reserves	3008	3589	4233	4940
Networth	4442	5023	5667	6374
Net Fixed Assets (incl. CWIP)	3458	3678	3495	3310
Debt equity ratio	0.54	0.40	0.27	0.15
Current ratio	1.25	1.25	1.25	1.25
Fixed asset coverage	1.45	1.81	2.28	3.45
ADSCR				1.60

6.0 General Terms and Conditions

- a) ICICI was appointed as the Monitoring Agency (MA)
- b) The merged company would submit its statutory Auditor's Certificate of discharging of the secured creditors liabilities/ clearing of statutory liabilities in terms of the sanctioned scheme and copy of the same should be sent to the MA (ICICI) and the Board.

(N.P. BAGCHEE)
MEMBER

(G. NARAYANAN)
MEMBER

Dated : 30.12.2002

LIST OF ANNEXURES

- 1. ASSUMPTIONS OF PROFITABILITY
- 2. COST OF PRODUCTION AND PROFITABILITY
- 3. STATEMENT OF DISTRIBUTION OF PROFITS
- 4. CASH FLOW
- 5. PROFORMA BALANCE SHEET.

Annexure 1

ABHISHEK CEMENTS LIMITED

ASSUMPTIONS OF PROFITABILITY

Cement Division

1. The plant would resume commercial production from September 1, 2000.
2. The installed capacity and capacity utilisation has been assumed as under:

Year ended December 31,	2000	2001	2002
Installed capacity (tpa)	33000	33000	33000
Capacity Utilisation (%)	25	60	75
Production(tpa)	8250	19800	24750

3. The naked sales realisation per tonne had been assumed at Rs.1150 (compared to Rs.1200 per tonne in the earlier scheme) on account of sales tax benefit not being available.
4. The consumption of various raw material and utilities have been taken as under:

Item	Consumption Factor	Cost (Rs./ tonne)
Limestone	1.50	100
Coal	0.22	1300
Iron Ore	0.07	300
Clay	0.13	65
Gypsum	0.05	500
Power*	110	Rs.3.5/unit

* The rate of power in the earlier scheme was assumed at Rs.2.2 per unit.

5. Salaries and wages have been estimated at Rs.35 lac per annum from the year 2003 onwards.
6. Interest on working capital has been assumed at 13.0% p.a.
7. **Radico Khaitan**

The profitability for the residual Radico Khaitan Limited is on the basis of the estimates provided by the company for the trifurcation scheme as also the past performance of 1997-98 and 1998-99.

Annexure 2**ABHISHEK CEMENTS LIMITED
Cost of Production and Profitability**

(Rs. in lacs)

Year ending December 31	2000	2001	2002	2003	2004	2005	2006
Installed capacity (in tpa)	33000	33000	33000	33000	33000	33000	33000
Production (in tpa)	8250	19800	24750	24750	24750	24750	24750
Capacity utilisation (%)	25%	60%	75%	75%	75%	75%	75%
Unit sale price (Rs. per tonne)	1150	1150	1150	1150	1150	1150	1150
Sales	95	228	285	285	285	285	285
Total Income	95	228	285	285	285	285	285
Raw material consumed	36	87	108	108	108	108	108
Consumable stores/ spares & parts	5	11	14	14	14	14	14
Power, water & fuel	35	84	105	105	105	105	105
Salaries and wages	6	19	21	21	21	21	21
Repairs and maintenance	1	5	6	6	6	6	6
Administrative expenses	2	5	6	6	6	6	6
Selling and promotion exp.	2	5	6	6	6	6	6
Cost of production	86	214	265	265	265	265	265
PBILD	8	13	19	19	19	19	19
% PBILD/ Total income	9%	6%	7%	7%	7%	7%	7%
Interest - term loans							
Interest-working capital	4	4	6	6	6	0	0
Depreciation	17	0	0	0	0	0	0
Operating profit/ loss	-13	9	13	13	13	19	19

Annexure 1

ABHISHEK CEMENTS LIMITED

ASSUMPTIONS OF PROFITABILITY

Cement Division

1. The plant would resume commercial production from September 1, 2000.
2. The installed capacity and capacity utilisation has been assumed as under:

Year ended December 31,	2000	2001	2002
Installed capacity (tpa)	33000	33000	33000
Capacity Utilisation (%)	25	60	75
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4. The consumption of various raw material and utilities have been taken as under:

Item	Consumption Factor	Cost (Rs./ tonne)
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Coal	0.22	1300
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Clay	0.13	65
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Power*	110	Rs.3.5/unit

* The rate of power in the earlier scheme was assumed at Rs.2.2 per unit.

5. Salaries and wages have been estimated at Rs.35 lac per annum from the year 2003 onwards.
6. Interest on working capital has been assumed at 13.0% p.a.
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The profitability for the residual Radico Khaitan Limited is on the basis of the estimates provided by the company for the trifurcation scheme as also the past performance of 1997-98 and 1998-99.

Annexure 2**ABHISHEK CEMENTS LIMITED
Cost of Production and Profitability**

(Rs. in lacs)

Year ending December 31	2000	2001	2002	2003	2004	2005	2006
Installed capacity (in tpa)	33000	33000	33000	33000	33000	33000	33000
Production (in tpa)	8250	19800	24750	24750	24750	24750	24750
Capacity utilisation (%)	25%	60%	75%	75%	75%	75%	75%
Unit sale price (Rs. per tonne)	1150	1150	1150	1150	1150	1150	1150
Sales	95	228	285	285	285	285	285
Total Income	95	228	285	285	285	285	285
Raw material consumed	36	87	108	108	108	108	108
Consumable stores/ spares & parts	5	11	14	14	14	14	14
Power, water & fuel	35	84	105	105	105	105	105
Salaries and wages	6	19	21	21	21	21	21
Repairs and maintenance	1	5	6	6	6	6	6
Administrative expenses	2	5	6	6	6	6	6
Selling and promotion exp.	2	5	6	6	6	6	6
Cost of production	86	214	265	265	265	265	265
PBILD	8	13	19	19	19	19	19
% PBILD/ Total income	9%	6%	7%	7%	7%	7%	7%
Interest - term loans							
Interest-working capital	4	4	6	6	6	0	0
Depreciation	17	0	0	0	0	0	0
Operating profit/ loss	-13	9	13	13	13	19	19

Annexure 3**ABHISHEK CEMENTS LIMITED (combined company)
Statement of distribution of profit**

	(Rs. in lacs)						
Year ending December 31,	2000	2001	2002	2003	2004	2005	2006
Total income							
Existing RKL	17500	20000	20000	20000	20000	20000	20000
ACL	95	228	285	285	285	285	285
Total income (TI)	17595	20228	20285	20285	20285	20285	20285
PBILD							
Existing RKL	1350	1550	1550	1550	1550	1550	1550
ACL	8	13	19	19	19	19	19
Total PBILD	1358	1563	1569	1569	1569	1569	1569
% PBILD to TI	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%
Interest - secured loans/ NCD's	276	275	212	140	67	16	0
Interest - unsecured loans							
Interest - working capital	315	315	315	315	315	315	315
Total - interest	591	590	527	455	382	331	315
Depreciation	208	230	233	235	238	240	243
Misc. exp. written off	115	115	115	115	115	115	115
Operating profit/ loss	445	629	695	765	835	884	897
% OP to TI	2.5%	3.1%	3.4%	3.8%	4.1%	4.4%	4.4%
Extraordinary income (waiver of interest)	376	0	0	0	0	0	0
Tax @ 7.50%	33	47	52	57	63	66	67
PAT	412	581	643	708	772	818	830
Dividend	0	0	0	0	0	0	0
Net cash accruals	734	926	991	1057	1124	1172	1187

Annexure 4**ABHISHEK CEMENTS LIMITED (combined company)
Cash flow statement**

(Rs. in lacs)

Year ending December 31,	2000	2001	2002	2003	2004	2005	2006
Sources of funds							
Net cash accruals	734	926	991	1057	1124	1172	1187
Increase in term debt	1000	380	0	0	0	0	0
ACL							
Conversion of Debt/ BB into NC	328						
Total	2062	1306	991	1057	1124	1172	1187
Application of funds							
Capital expenditure	1050	450	50	50	50	50	50
Decrease in NCD's	400	261	0	0	0	0	0
Rupee term loans	251	481	481	481	481	209	0
ACL							
Capital expenditure (include margin money)	90						
Conversion of loans into NCD's Institutions	308						
Banks	20						
Payment of 25% SI dues - Institutions	115						
Payment of 25% SI dues - Banks	11						
Redemption of NCD's				109	109	109	0
Total	2244	1192	531	640	640	369	50
Opening cash balance	255	73	188	647	1065	1549	2353
Surplus/ deficit	-182	115	460	417	484	804	1137
Closing cash balance	73	188	647	1065	1549	2353	3490
DSCR	1.09	1.18	1.74	1.64	1.81	3.55	nil
ADSCR	1.60						

Annexure 5

**ABHISHEK CEMENTS LIMITED (merged company)
Proforma Balance Sheet**

(Rs. in lacs)

Year ended December 31,	2000	2001	2002	2003	2004	2005	2006
Capital and liabilities							
Equity share capital	1434	1434	1434	1434	1434	1434	1434
Reserves	3008	3589	4233	4940	5712	6530	7359
Subsidy/ incentive loans	40	40	40	40	40	40	40
Non Convert Deb	589	328	328	219	109	0	0
Rupee term loans+ FITL+ overdue interest	1802	1702	1221	740	259	50	50
Unsec loan/ Fixed deposit	92	92	92	92	92	92	92
Bank borrowing (include overdue interest)	2079	2079	2079	2079	2079	2079	2079
Deferred credits	61	61	61	61	61	61	61
Current liabilities	2693	2693	2693	2693	2693	2693	2693
Total	11798	12018	12180	12298	12480	12979	13808
Assets							
Net fixed assets	3458	3678	3495	3310	3123	2933	2740
CWIP	0	0	0	0	0	0	0
Cash & Bank Balance	73	188	647	1065	1549	2353	3490
Current assets, loans and adv.	6132	6132	6132	6132	6132	6132	6132
Investments	1067	1067	1067	1067	1067	1067	1067
Misc. expend' not written off	1068	953	839	724	609	494	379
Total	11798	12018	12180	12298	12480	12979	13808
Diff.	0	0	0	0	0	0	0
Debt/ Equity ratio	1	0	0	0	0	0	0
Current ratio	1	1	1	1	1	1	1
Fixed assets coverage (times)	1	2	2	3	8	59	55

CASE NO. 114/90 RE.: ABHISHEK CEMENTS LTD.

**BENCH - II
COMPLIANCE SCHEDULE**

<u>AGENCY</u>	<u>TIME SCHEDULE</u>
<u>Institutions</u>	
a) The principal and funded interest to be converted into 0% non convertible debentures to be redeemed in 3 equal installments at the end of the third, fourth and fifth year from the date of issue.	The date of issue of debentures would be the date of approval of scheme by BIFR. The entire penal interest (compound interest and liquidated damages) 75% of the simple interest due and accrued on the above upto the cut-off date would be waived and the balance 25% of the simple interest to be paid upfront in cash.
<u>Bank</u>	
a) The term loan, funded interest term loan and working capital term loan to be converted into Zero percent debentures to be redeemed in 3 equal installments at the end of the third, fourth and fifth year from the date of issue.	The date of issue of debentures would be the date of approval of scheme by BIFR. The entire penal interest (compound interest and liquidated damages) and 75% of the simple interest due and accrued on the above upto the cut-off date (date of issue of debentures) would be waived and the balance 25% of the simple interest to be paid upfront in cash.
b) The simple interest on the cash credit to be calculated as per the document rate and 75% of the above to be waived and the balance 25% to be paid up front in cash.	The cash credit to be converted into Zero percent debentures, to be redeemed in 3 equal instalments at the end of the third, fourth and fifth year.