
MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

SMC GLOBAL SECURITIES LIMITED



प्रारूप एक

Form 1

निगमन का प्रमाण-पत्र
Certificate of Incorporation

सं० 55-63609 शक 1916

No. 55-63609 of 19 94-95

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज एस एम सी ग्लोबल
सिक्योरिटीज लिमिटेड कम्पनी
अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और
यह कम्पनी परिसीमित है।

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

मेरे हस्ताक्षर से आज ता० 28 अगस्त, 1916 को दिया गया।

Given under my hand at **NEW DELHI** ... this **NINETEENTH** ... day
of **DECEMBER** ... One thousand nine hundred and **NINETY FOUR**



Sd/-

(अ. गणेश अन्सारी)

अपर कम्पनी रजिस्ट्रार

रा. रा. क्षेत्र दिल्ली एवं हरियाणा

(A.W. ANSARI)

ADDL. Registrar of Companies
N.C.T. OF DELHI & HARYANA

COMPANY NO. 55-63609



Certificate for Commencement of Business

व्यापार प्रारम्भ करने का प्रमाण-पत्र

Pursuant to section 149(3) of the Companies Act, 1956

कम्पनी अधिनियम, १९५६ की धारा १४९ (३) के अनुसार में

I hereby certify that the **SMC GLOBAL SECURITIES LIMITED**

में एतद् द्वारा प्रमाणित करता हूँ ... एस. एम. सी. ग्लोबल सिक्योरटीज
लिमिटेड

Which was incorporated under the Companies Act, 1956 on
जो कि कम्पनी अधिनियम, १९५६ के अन्तर्गत पंजीकृत की गई थी दिनांक 28 अगस्त, 1916
the **NINETEENTH** day of **DECEMBER** 1904.

and which has filed duly verified declaration in the
और जिसे ने कि यथावत् निर्धारित प्रपत्र में सत्यापित घोषणा पत्र प्रस्तुत
prescribed form that the conditions of section
कर दिया है कि उस ने धारा १४९(२) (क) से (ग)
149 (2) (a) to (c) of the said Act, have been complied with is entitled
की सभी शर्तों का अनुपालन कर दिया है, अतः व्यापार आरम्भ करने का
to commence business.

अधिकारी है।

Given under my hand at **NEW DELHI**

मेरे हस्ताक्षर से आज दिनांक 12 मई, 1916

this **SECOND** day of **JANUARY**

One thousand nine hundred and Ninety **FIVE**

को जारी किया गया।



Sd/-

(पी० शीला)

सहायक कम्पनी रजिस्ट्रार

रा. रा. क्षेत्र दिल्ली एवं हरियाणा

(P. SHEELA)

ADDL. Registrar of Companies
N.C.T. OF DELHI & HARYANA

THE COMPANIES ACT, 2013

(COMPANY LIMITED BY SHARES)
(Incorporated under the Companies Act, 1956)

MEMORANDUM OF ASSOCIATION**OF****SMC GLOBAL SECURITIES LIMITED**

- I.** The Name of the Company is: - **SMC GLOBAL SECURITIES LIMITED.**
- II.** The Registered Office of the Company will be situated in the **National Capital Territory of Delhi.**
- III. (A) THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE: -**
 1. To act as stock and share brokers and to acquire and hold one or more memberships in stock / securities exchange, National Stock Exchange, O.T.C.E.I. (Over the Counter Exchange of India), trade associations, commodity exchanges, clearing houses or association or otherwise in India or any part of the world, to secure membership privileges there from.
 2. Subject to the approval of Securities and Exchange Board of India and other authorities wherever required, to carry on the business of stocks share broking and its allied metal such as acting at underwriters, the underwriters, brokers to the issue of securities, dealers in securities by telling transferring hypothecated and holding of shares, debentures and securities of all kinds and descriptions of issue of shares / debentures and securities of all kinds, lead managers, brokers and Sub brokers of stock and new issue of shares, debentures and securities of all kinds and descriptions, Advisors and Registrar to the issue of securities share transfer agent, investment business and investment counseling, portfolio manager, corporate counseling, brokers to fixed deposit, inter corporate investment, canvassers, financial consultants, financial and discount brokers, Advisors and consultants to the issue of securities of all kinds and descriptions in their all aspects in India or abroad and to manage arrange merger and acquisitions.
 3. To carry on arbitrary business and business of investment in India and abroad and for that purpose to invest in, acquire, subscribe for, sold shares, bond, stock, securities, debentures, debenture stocks issued or guaranteed by any company constituted and carrying on business in India or elsewhere in the world, any Government, State, Port trust, public body, or authority supreme, financial institutions, Municipal, local or other otherwise weather in India or abroad.
 4. Subject to approval of Securities and Exchange Board of India (SEBI) and other authorities wherever required to, act as depository participants of depository(s) and to undertake all activities, functions and responsibilities related to thereto and further to do all other matter incidental or identical to the same.

5. Subject to approval of the Securities and Exchange Board of India (SEBI) and any other regulatory/government authorities wherever required and subject to the compliance with SEBI (Alternative Investment Funds) Regulations, 2012, SEBI (Portfolio Managers) Regulations, 2020 and any other applicable laws, regulations or rules, to act as investment advisors, asset/investment managers, co-investment portfolio manager, management consultants, financial consultants, trustee, settlor, sponsor of investment vehicles including alternative investment fund/s, to seek appropriate regulatory licensing and carry out activities as required and permitted by the concerned regulator/s and to render all other services/activities as are usually rendered by investment advisors, asset/investment managers, co-investment portfolio managers, management consultants, financial consultants, including support and incidental services, to clients in India and abroad.

(B) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE: —

1. To invest any money 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, such investments as may be necessary for the purpose of the company.
2. Subject to section 73, 74, 75, 76, 76A, 179 and 180 of the Act and the regulations made thereunder and the directions issued by the Reserve 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 also 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.
3. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, debentures and other negotiable or transferable instrument or securities.
4. 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 incorporated, and generally to guarantee or become sureties for the performance of any contracts or obligations as may be necessary for the purpose of the company.
5. To guarantee the performance of any contract or obligations of and the payment of money of or dividends and interest on any stock, shares or securities of any company, corporation, firm or persons in any case in which such guarantee may be considered directly or indirectly to further the objects of the company.

6. To enter into agreement for rendering and obtaining technical collaboration and or technical services and or financial collaboration whether by way of loans or capital participation with individuals, firms or body corporate whether in or outside India for the attainment of its objects.
7. To agree to refer to arbitration any dispute present or future between the company and any other company, firm or individual and to submit the same to arbitration in India or abroad either, in accordance with Indian or any foreign system of law.
8. To form, incorporate or promote any company or companies whether in India or elsewhere, having amongst its or their objects the acquisition of all or any of the assets control, management or development of the company or any other objects which in the opinion of the company could or might directly or indirectly assist the company in the management of its 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 thinks fit for services rendered or to be rendered in obtaining subscription for or placing or assisting to place or to obtain subscription for or of guaranteeing the subscription of or the placing of any shares in the capital of the company or any bonds, debentures, obligation or securities of any other company held or owned by the company or in which the company has any interest or in or about the formation or promotion of the company or the conduct of its business or in about the promotion of any other company in which the company may have any interest.
9. To procure the registration or recognition of the company in or under the laws of any place outside India.
10. To pay for preliminary and any pre incorporation and pre operation expenses of the company in any manner as the company may decide.
11. To exchange, mortgage, let on lease royalty or tribute, grant licensees, easements, options and other rights or dispose of the whole or any part of the undertaking, property, assets, rights and effects of the company of such consideration 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.
12. To pay for 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.
13. To advance money, either with or without security and give credit to such persons including Government and upon such terms and conditions as the company may think fit, and to undertake financial and commercial obligations transactions and operations of all kinds.
14. To open any accounts with any individual, firm(s) or bank(s) and to pay into and withdraw money from such accounts whether they be in credit or debit.

15. To acquire, build, alter, maintain, enlarge, pull down, remove or replace and to work manage and control any buildings, offices, shops, machinery, engine, electric works and other works and convenience which may seem necessary to achieve the main objects of the company and to join with any other person or company in doing any of these things.
16. To buy, repair, alter, improve, exchange let out on hire and import plant, machinery, tools, utensil, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this company is competent to carry on in any of the businesses carried on by the company.
17. To purchase, take on lease, or tenancy or in exchange, hire take options or otherwise acquire for any estate or interest, whatsoever and to hold develop, work cultivate concessions, grants, decrees, licensees, privileges, claims, options, leases, property, real or personal or rights or powers of any kind which may appear to be necessary or convenient for any business of the company.
18. To send out to foreign countries directors employees or any other persons for investigating possibilities of any business trade or for procuring and buying of machinery or establishing trade connection or in promoting the interest of the company and to pay all expenses incurred in this connection.
19. To acquire and undertake all or any part of the business, property and liabilities or any persons or company carrying on or proposing to carry on any business which this company is authorized to carry on or possessed of property suitable for the purposes of the company and to pay for the same either in cash or in shares or partly in cash and partly in shares.
20. Subject to the provisions of the Companies Act, 2013, to amalgamate or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture or reciprocal with any person or persons or company or companies carrying on or engaged in any business which the company is authorised to carry on.
21. To enter into any arrangements and take all necessary and proper steps with Governments or with other authorities, supreme, national, local, municipal or otherwise of any place in which the company may have interest and to oppose any such steps taken by any other company, firm or person which may be considered likely, 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 and such Government authority and company and character contracts, decrees, rights, grants, loans privileges or concessions which the company may think it desirable to obtain and carry out exercise and comply with any such arrangements, characters or decrees, rights, privileges or concessions.
22. To adopt such means of making known the products 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.

23. 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 interests acquired by or belonging to the company in any person or company on behalf of or the benefit of the company and with or without any declared trust in favour of the company.
24. To accept gifts and to give gifts and donations or to create trusts for the welfare of employees, members, directors and/or their dependents heir and children and for any deserving object and for other persons also and to act as trustees.
25. To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibition subject to the provisions of the Act.
26. 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 giving of donations, gratuities, pension 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 dependents of any such persons and also establish an subsidies and subscribe to any institution, association, 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.
27. 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.
28. To do all such acts and other things as may be deemed incidental or conducive to the attainment of the main objects or any of them.
29. To apply for and become a Corporate Member of any stock exchange/exchanges or to take over any existing Share Broking firm at Delhi or other places as may be expedient in the interest of carrying on the objects of the Company as may be determined by the Board of Directors.

IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

V. The authorized share capital of company is Rs. 95,51,00,000/- (Rupees Ninety Five Crores Fifty One Lacs) divided in to 47,75,50,000 (Seven Crore Seventy Five Lacs and Fifty Thousand) equity shares of Rs. 2/- (Rupees Two) each.

VI. We, the several persons whose names and addresses are subscribed hereto, 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 capital of the Company, set opposite our respective names:

S. No.	Name, Address, Description & Occupation of each subscriber	Number of and type of Equity Shares	Signature of subscriber	Name, Address, description and signature of witness
1.	Mahesh Chand Gupta S/o Shri Shyam Sunder Gupta R/o C-39, Anand Vihar, I.P. Extension, Delhi-110092 (Business)	100 Equity Shares	Sd/-	<p style="text-align: center;">I hereby witness the signatures of all the subscribers who have signed in my presence</p> <p style="text-align: center;">Sd/- (R.S. CHAUHAN) ACA M. No. 89108 S/o Shri J.S. Chauhan 3072/40, Gola Market, Darya Ganj, New Delhi-110002 D-19, Green Park, New Delhi--110016</p>
2.	Subhash Chand Aggarwal S/o Shri Madan Gopal Aggarwal R/o C-335, Saraswati Vihar, Delhi (Chartered Accountant)	100 Equity Shares	Sd/-	
3.	Dinesh Chand Gupta S/o Shri R.K. Gupta R/o C-39, Anand Vihar, I.P. Extension, Delhi-110092 (Business)	100 Equity Shares	Sd/-	
4.	Om Kishan Gupta S/o Shri R.K. Gupta R/o C-39, Anand Vihar, I.P. Extension, Delhi-110092 (Business)	100 Equity Shares	Sd/-	
5.	Damodar Krishan Aggarwal S/o Shri Madan Gopal Aggarwal R/o C-335, Saraswati Vihar, Delhi (Business)	100 Equity Shares	Sd/-	
6.	Sushma Gupta W/o Shri Mahesh Chand Gupta R/o C-39, Anand Vihar, I.P. Extension, Delhi-110092	100 Equity Shares	Sd/-	
7.	Ashok K. Aggarwal S/o Shri Madan Gopal Aggarwal R/o C-335, Saraswati Vihar, Delhi	100 Equity Shares	Sd/-	

Place: New Delhi

Dated: 5th day of December, 1994

THE COMPANIES ACT, 2013
 (COMPANY LIMITED BY
 SHARES)
 (Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION

OF

SMC GLOBAL SECURITIES LIMITED

Definitions & Interpretation

In these regulations—

- a) "Act" means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, and applicable along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.
- b) "Annual General Meeting" shall mean a General Meeting of the holders of Equity Shares held annually in accordance with the applicable provisions of the Act.
- c) "Articles" shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.
- d) "Auditors" shall mean and include those persons appointed as such for the time being by the Company.
- e) "Board" or "Board of Directors" shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.
- f) "Board Meeting" shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
- g) "Business Day" shall mean a day on which scheduled commercial banks are open for normal banking business;
- h) "Capital" or "Share Capital" shall mean the authorized share capital of the Company.
- i) "Chairperson" shall mean such person as is nominated or appointed in accordance with Article 43, 44 & 45 herein below.
- j) "Company" or "this Company" shall mean **SMC GLOBAL SECURITIES LIMITED.**



- k) "Committees" shall have the meaning ascribed to such term in Article 68.
- l) "Depositories Act" shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- m) "Director" shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.
- n) "Dividend" shall include interim dividends.
- o) "Encumbrance" shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind;
- p) "Equity Share Capital" shall mean the total issued and paid-up equity share capital of the Company, calculated on a fully diluted basis.
- q) "Equity Shares" shall mean fully paid-up equity shares of the Company having a par value of INR 2 (Rupees Two) per equity share of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.
- r) "Executor" or "Administrator" shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- s) "Extraordinary General Meeting" shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.
- t) "Financial Year" shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- u) "Law/Laws" shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.
- v) "Memorandum" shall mean the memorandum of association of the Company, as amended from time to time.
- w) "Office" shall mean the registered office for the time being of the Company.



- x) "Paid-up" shall include the amount credited as paid up.
- y) "Person" shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- z) "Register of Members" shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act. (bb) "Registrar" shall mean the Registrar of Companies, from time to time having jurisdiction over the Company. (cc) "Rules" shall mean the rules made under the Act and as notified from time to time.
- aa) "Seal" shall mean the common seal(s) for the time being of the Company, if any.
- bb) "SEBI" shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992. (ff) "SEBI Listing Regulations" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.
- cc) "Securities" or "securities" shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.
- dd) "Shares" or "shares" shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares.
- ee) "Shareholder" or "shareholder" or "member" shall mean any shareholder of the Company, from time to time.
- ff) "Shareholders' Meeting" shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.
- gg) "Stock Exchanges" shall mean Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities are listed.

Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

Share capital and variation of rights

- (1) (a) The Authorized share capital of the Company is as stated in Clause V of the Memorandum of Association of the Company and the same may be divided in any manner as may be thought expedient.



- (b) Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may, from time to time, think fit.
- (2) (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided: -
- (a) One certificate for all his shares without payment of any charges; or
- (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (3) (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.
- (4) Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- (5) (i) the company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.



(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares.

- (6) (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

- (7) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith.
- (8) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

- (9) (i) **The company shall have a first and paramount lien—**

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

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

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.

- (10) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

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

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



- (11) (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) 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.
- (12) (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

- (13) (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board
- (14) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
- (15) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- (16) (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- (17) (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.



(18) The Board—

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

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

(19) (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

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

(iii) No Transfer to any insolvent or to person of unsound mind:

The Board of Directors of the Company shall register or acknowledge any transfer or transmission of shares of the Company, not exceeding 10% shares of the Company held by the Promoter / Promoter Group, made/received pursuant to enforcement of rights under or in connection with any agreement arrangement entered into by the share-holders of the Company with any lender of such share-holders or creditors of the Company, in whose favour pledge/other arrangement over shares of the Company is credited (including but not limited to such lenders' or creditors' trustees) and with or without confirmation or undertaking issued at any time by the Company to support any such lending and security creation or arrangement transaction, shall be binding to the Company and then prevailing Directors and management of the Company at the time of enforcement of such security and shares.

(20) The Board may, subject to the right of appeal conferred by section 58 decline to register—

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

(b) Any transfer of shares on which the company has a lien.

(21) The Board may decline to recognize any instrument of transfer unless—

(a) The instrument of transfer is in the form as prescribed in rules made under sub-section (J) of section 56;

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

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



- (22) On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

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

Transmission of shares

- (23) (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

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

- (24) (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board, elect, to be registered himself as holder of the share.

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

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

Forfeiture of shares

- (26) If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

- (27) The notice aforesaid shall—

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

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

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



- (29) (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- (30) (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- (31) (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- (32) The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

- (33) The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- (34) Subject to the provisions of the Act, the company may, by ordinary resolution, —
- (a) Increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient
- (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (c) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;



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

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

(35) Where shares are converted into stock—

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

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

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

(c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

(36) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law: -

- (a) Its share capital and /or;
- (b) Any capital redemption reserve account; or
- (c) Any share premium account.
- (d) any other reserve in the nature of share capital.

Capitalization of profits

(37) (i) 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 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—



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

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) Partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

(38) (i) 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 if any; and

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

(ii) The Board shall have power—

(a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and

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

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

Buy-back of shares

(39) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.



General meetings

- (40) All general meetings other than annual general meeting shall be called extraordinary general meeting.
- (41) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

- (42) (i) 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.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- (43) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- (44) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- (45) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
- (46) A person may be appointed or reappointed as the chairperson of the company as well as the Managing Director or Chief Executive Officer of the company at the same time.

Adjournment of meeting

- (47) (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) 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.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.



Voting rights

- (48) Subject to any rights or restrictions for the time being attached to any class or classes of shares,
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- (49) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- (50) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- (51) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- (52) Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
- (53) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- (54) (i) 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.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

- (55) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- (56) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.



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

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

Board of Directors

- (58) Unless otherwise determined by the Company in general meeting, the number of the directors shall not be less than three and not more than twenty and the First Director of the Company shall be:

1. SUBHASH CHAND AGGARWAL
2. MAHESH CHAND GUPTA
3. DAMODAR KRISHAN AGGARWAL
4. DINESH CHAND GUPTA

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

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

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

- (60) The Board may pay all expenses incurred in getting up and registering the company.
- (61) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit, respecting the keeping of any such register.
- (62) All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- (63) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.



(63A) Notwithstanding anything to the contrary contained in these Articles, so long as the money shall be owing by the Company to any financial institutions, corporations, bank, other financial entities or body corporate or so long as any of the aforesaid banks, financial institutions or such other financing entities holds any shares/ debentures in the Company as a result of subscription or so long as any guarantee given by any of the aforesaid financial institutions or such other financial entities in respect of any financial obligation or commitment of the Company remains outstanding, then in that event any of the said financial institutions or such other financial entities/body corporate shall, subject to an agreement in that behalf between it and the Company, have a right but not an obligation, to appoint one or more persons as Director(s) on the Board of Directors of the Company as Nominee Director on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s."

(64) (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

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

(iii) The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors.

(iv) Not less than two thirds of the total number of Directors shall (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.

Explanation:- for the purposes of this Article "total number of Directors" shall not include Independent Directors appointed on the Board of the Company.

(v) The remaining Directors of the Company shall also be appointed by the Company in General Meeting except to the extent that the Articles otherwise provide or permit.

(vi) Subject to the provisions of Section 152 of the Act at every Annual General Meeting of the Company, 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 the number nearest to one-third shall retire from office.

(vii) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves, be determined by lot.



(viii) A retiring Director shall be eligible for reelection.

(xi) A Whole time Director may be appointed as a rotational Director subject to compliance of Section 203, 197 and Schedule V of the Companies Act, 2013 and any other law applicable in this regard. The approval of members in respect of the rotation of Whole time Director has been already obtained by Company.

(x) The Board shall have power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

(65) (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

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

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

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

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

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

(68) (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

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

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

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

(70) (i) A committee may elect a Chairperson of its meetings.

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



(71) (i) a committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

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

(73) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

(74) Subject to the provisions of the Act, —

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

(ii) The same individual, at the same time, may be appointed as a director as well as the chief executive officer, manager, company secretary, chief financial officer or as any other key managerial person (KMP) of the company.

(75) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

(76) (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least one director or the company secretary, or such other person as the Board may appoint for the purpose; and such person shall sign every instrument to which the seal of the company is so affixed in his presence.



Dividends and Reserve

- (77) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- (78) Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- (79) (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- (80) (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- (81) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- (82) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (83) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.



- (84) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- (85) No dividend shall bear interest against the company.

Accounts

- (86) (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Registers

- (87) (i) The Company shall keep and maintain at its registered office or at such other place as may be decided by the Board, all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules.
- (ii) The registers and copies of annual return shall be open for inspection during such hours as Board may determine from time to time on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

Contributions to national defense fund

Subject to the provisions of Section 183 of the Companies Act, 2013 and rules made thereunder—

- (88) The Board of Directors of company or any person or authority exercising the powers of the Board of Directors of company, or of the company in general meeting, may contribute such amount as it thinks fit to the National Defense Fund or any other Fund approved by the Central Government for the purpose of national defense.

Political Contributions

Subject to the provisions of Section 182 of the Companies Act, 2013 and rules made thereunder—

- (89) The Company may contribute any amount directly or indirectly to any political party subject to the Compliance of the provisions of Section 182 of the Companies Act, 2013 read with rules made thereunder.



Contribution to bona fide and charitable funds, etc.

Subject to the provisions of Section 181 of the Companies Act, 2013 and rules made thereunder—

(90) The Board of Directors of a company may contribute to *bona fide* charitable and other funds subject to the Compliance of the provisions of Section 181 of the Companies Act, 2013 read with rules made thereunder.

.Winding up

(91) Subject to the provisions of Chapter XX of the Act and rules made thereunder—

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

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

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

Indemnity and Insurance

(92) (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, chief executive officer, chief financial officer, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, chief executive officer, chief financial officer, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

(b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favor or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

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



General Power

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

We, the several persons whose names and addresses are subscribed hereto, are desirous of being formed into a company in pursuance of THIS ARTICLES OF ASSOCIATION and we respectively agree to take the number of shares in capital of the Company, set opposite our respective names:

S. No.	Name, Address, Description & Occupation of each subscriber	Number of and type of Equity Shares	Signature of subscriber	Name, Address, description and signature of witness
1.	Mahesh Chand Gupta S/o Shri Shyam Sunder Gupta R/o C-39, Anand Vihar, I.P. Extension, Delhi-110092 (Business)	100 Equity Shares	Sd/-	I hereby witness the signatures of all the subscribers who have signed in my presence Sd/- (R.S. CHAUHAN) ACA M. No. 89108 S/o Shri J.S. Chauhan 3072/40, Gola Market, Darya Ganj, New Delhi-110002 D-19, Green Park, New Delhi--110016
2.	Subhash Chand Aggarwal S/o Shri Madan Gopal Aggarwal R/o C-335, Saraswati Vihar, Delhi (Chartered Accountant)	100 Equity Shares	Sd/-	
3.	Dinesh Chand Gupta S/o Shri R.K. Gupta R/o C-39, Anand Vihar, I.P. Extension, Delhi-110092 (Business)	100 Equity Shares	Sd/-	
4.	Om Kishan Gupta S/o Shri R.K. Gupta R/o C-39, Anand Vihar, I.P. Extension, Delhi-110092 (Business)	100 Equity Shares	Sd/-	
5.	Damodar Krishan Aggarwal S/o Shri Madan Gopal Aggarwal R/o C-335, Saraswati Vihar, Delhi (Business)	100 Equity Shares	Sd/-	
6.	Sushma Gupta W/o Shri Mahesh Chand Gupta R/o C-39, Anand Vihar, I.P. Extension, Delhi-110092	100 Equity Shares	Sd/-	
7.	Ashok K. Aggarwal S/o Shri Madan Gopal Aggarwal R/o C-335, Saraswati Vihar, Delhi	100 Equity Shares	Sd/-	

Place: New Delhi



Dated: 5th day of December, 1994



IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORDINARY ORIGINAL COMPANY JURISDICTION)

COMPANY PETITION NO. 111 OF 2008

CONNECTED WITH

COMPANY APPLICATION (28) NO. 175 OF 2008

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SECTIONS 391 AND 394
OF THE COMPANIES ACT, 1956

For Private Use

*Registrar, Judicial Branch
High Court of Delhi*

MEMO OF PARTIES

IN THE MATTER OF SCHEME OF AMALGAMATION BETWEEN:

SAM GLOBAL SECURITIES LIMITED, a company incorporated under the Companies Act, 1956 having its Registered Office at 11/8B, Shanti Chamber, Pusa Road, New Delhi - 110005.

TRANSFEROR COMPANY/
PETITIONER COMPANY - I

AND

SMC GLOBAL SECURITIES LIMITED, a company incorporated under the Companies Act, 1956 having its Registered Office at 11/8B, Shanti Chamber, Pusa Road, New Delhi - 110005.

TRANSFeree COMPANY/
PETITIONER COMPANY - II

(Hereinafter individually referred to as SAM and SMC, respectively and collectively referred to as "Petitioner Companies")

FILED BY

[Signature]
[MAHESH AGARWAL]
AGARWAL LAW ASSOCIATES
34, BABAR LANE FIRST FLOOR
BENGALI MARKET
NEW DELHI - 110 001
Ph: 23354630, 23738122

NEW DELHI

DATE: 09/01/09

Submitted to the Court Copy

[Signature]
Registrar, Judicial Department
High Court of Delhi
Pusa Road, New Delhi - 110 005

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORIGINAL JURISDICTION)
IN THE MATTER OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
OF
COMPANY PETITION NO. 10/2009
CONNECTED WITH

COMPANY APPLICATION (M) NO. 176/2008
IN THE MATTER OF M/s. Sam Global Securities Ltd.
having its Regd. Office at:
11/6B, Shanti Chamber,
Pusa Road, New Delhi-110005

... Transferor Company

WITH
IN THE MATTER OF M/s. SMC Global Securities Ltd.
having its Regd. Office at:
11/6B, Shanti Chamber,
Pusa Road, New Delhi-110005

... Transferee Company

BEFORE HON'BLE MS. JUSTICE GITA MITTAL
DATED THIS THE 26th DAY OF FEBRUARY, 2009

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petitions came up for hearing on 26/02/2009 for sanction of Scheme of Amalgamation proposed to be made of M/s. Sam Global Securities Ltd. (hereinafter referred to as the Transferor Company) with M/s. SMC Global Securities Ltd. (hereinafter referred to as the Transferee Company). The Court examined the petition; the order dt. 12/11/2008, passed in CA(M)-176/08 whereby the requirement of convening and holding the meetings of the Equity Shareholders, Secured Creditors of the Transferor Company and Secured Creditors of the Transferee Company was dispensed with; and the meetings of the Unsecured Creditors of the Transferor & Transferee Company and Equity Shareholders of the Transferee Company were ordered to be convened for the purpose of considering and if thought fit approving with or without modification the proposed Scheme of Amalgamation, annexed to the affidavit of Shri Mahesh C. Gupta, authorized signatory of the Petitioner Companies filed on 07th day of November, 2008 and the publication in the newspapers namely Statesman (English) & Veer Arjun (Hindi) dt. 28/11/2008 containing the advertisement of the said notice; the affidavit of Shri Rajesh Malhotra, Shri Amit Sharma & Ms. Shalini Singh, Chairpersons filed on 05/01/09, 07/01/09 & 09/01/2009 showing the publication and despatch of the notices convening the said meetings and also the report of the Chairpersons as to the result of the said three meetings.

B. Gupta

REGISTERED
Smt. Gita Mittal
Smt. Gita Mittal
Smt. Gita Mittal

The Court also examined the affidavit dated 25/02/2009 of Sh. Dhan Raj, Regional Director, Northern Region, Ministry of Corporate Affairs, Noida on behalf of Central Government stating that the Valuation Report is prepared by M/s. Sobhagya Capital Options Ltd., who are registered merchant banker and not a firm of Chartered Accountants. The authorized representative of the Petitioner Companies has now submitted the copy of the Valuation Report prepared by M/s Padam Dinesh & Co., Chartered Accountants and on its perusal it is noticed that the Valuation Report prepared by M/s. Padam Dinesh & Co., Chartered Accountants is same/similar to the Valuation Report earlier submitted by the Petitioner Companies prepared by Sobhagya Capital Options Limited. It is submitted that it is not clear as to whether this Valuation Report is submitted before the Court. On perusal of the record it was noticed that the Valuation Report dated 14/04/2008, prepared by M/s. Padam Dinesh & Co. had been filed on record by the petitioner and the same had also been referred to by learned counsel for the petitioners. In view of the same the objection raised by the Regional Director does not survive.

Upon hearing Shri Mahesh Aggarwal with Mr. B.S. Shukla, Advocates for the Petitioners, Ms. Manisha Tyagi, for the Official Liquidator and Mr. Raisuddin, Asstt. Registrar of Companies in person; and in view of the approval of the Scheme of Amalgamation without any modification; by the Equity Shareholders, Secured Creditors of the Transferor Company and Secured Creditors of the Transferee Company; and in view of the affidavit of Sh. A.K. Chaturvedi, Official Liquidator filed on 25/02/09 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its Equity Shareholders or to public interest and that Transferor Company could be dissolved without undergoing the process of winding up and there being no investigation proceedings pending in relation to the petitioner Transferee Company under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOETH HEREBY SANCTION THE SCHEME OF AMALGAMATION set forth in Schedule-I annexed hereto and Doeth hereby declare the same to be binding on all the Shareholders & Creditors of the Transferor Company and all concerned and doeth approve the said Scheme of Amalgamation in respect of the Transferor Company with effect from the appointed date i.e. 1.1.2008.

AND THIS COURT DOETH FURTHER ORDER:

i. That all the property, rights and powers of the Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to

B. Singh

ATTORNEY
Manoj
Assistant Registrar
with Power of Deed

and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and

2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and

3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and

4. That the Transferee Company do without further application allot to such members of the Transferor Company as have not given such notice of dissent as is required by Clause-5.1 given in the Scheme of Amalgamation herein the shares in the Transferee Company to which they are entitled under the said amalgamation; and

5. That the Transferor Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up and the concerned Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept in relation to the Transferee Company and the files relating to the said Transferor and Transferee Companies shall be consolidated accordingly. It is also clarified that this order will not be construed as an order granting exemption from payment of stamp duty that is payable in accordance with law; 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.

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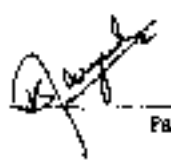
ATTORNEY
[Handwritten signature]
Attorney General
High Court of India

**SCHEME OF AMALGAMATION
OF
SAM GLOBAL SECURITIES LIMITED
WITH
SMC GLOBAL SECURITIES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

PREAMBLE

(A) Background and Description of Companies

1. SAM Global Securities Limited ("SAM") is a company incorporated under the Companies Act, 1956 having its registered office at 17, Netaji Subhash Marg, Darya Gunj, New Delhi - 110002. SAM is primarily engaged in the business of Equity and Derivative Trading and Clearing Services at the Capital Market and Derivative Segment of Bombay Stock Exchange Limited ("BSE"), Depository Participants Services, Institutional and Retail Brokerage and such other similar services etc.
2. The equity shares of SAM are presently listed at Grivestock Stock Exchange.
3. SMC Global Securities Limited ("SMC") is a company incorporated under the Companies Act, 1956 having its registered office at 17, Netaji Subhash Marg, Darya Gunj, New Delhi - 110002. SMC is primarily engaged (directly and through its subsidiaries) in the business of Equity and Derivative Trading and Clearing Services at the National Stock Exchange Limited ("NSE"), Commodity Trading at National Commodity and Derivative Exchange Limited ("NCDEX") and Multi Commodity Exchange of India Limited ("MCX"), Online Internet Trading (E-broking), Distribution of Mutual Funds and Initial Public Offerings, Insurance Broking Services and such other similar services.
4. The equity shares of SMC are presently listed at Ahmedabad, Calcutta, Delhi, and Ludhiana Stock Exchanges.



For SMC Global Securities Ltd.



Director/Authorized Signatory

For SAM Global Securities Ltd.



Director/Authorized Signatory

ATTORNEY
Srinjan
Company Judicial Dept
17, Netaji Subhash Marg
Darya Gunj, New Delhi

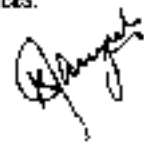
(B) Purpose of the Scheme of Amalgamation

This Scheme of Amalgamation is presented under Sections 391 to 394 and other applicable provisions, if any of the Companies Act, 1956 for amalgamation of SAM Global Securities Limited ('SAM' or 'the Transferor Company'), having its registered office at 17, Netaji Subhash Marg, Darya Ganj, New Delhi - 110002 with SMC Global Securities Limited ('SMC' or 'the Transferee Company') having its registered office at 17, Netaji Subhash Marg, Darya Ganj, New Delhi - 110002.

(C) Rationale for the Scheme of Amalgamation

The Board of Directors of the Transferor Company and the Transferee Company consider that the Scheme of Amalgamation would benefit the respective companies on account of the following reasons:

1. The amalgamation will enable the Transferor Company and the Transferee Company to consolidate their business operations and provide significant impetus to their growth since both the companies are engaged in the same line of business.
2. The amalgamation will result in reduction in overheads, administrative, managerial and other expenditure, and bring about operational rationalization, organizational efficiency, and optimal utilization of various resources.
3. The amalgamation will consolidate the managerial expertise of the Transferor Company and the Transferee Company thereby giving additional strength to the operations and management of the Transferee Company.
4. The amalgamation will be in the best interest of the clients of both the Transferor and the Transferee Company, as post amalgamation the Transferee company would be able to provide better and efficient trading and other services.



Page 2 of 22

For SMC Global Securities Ltd.



Director/Authorised Signatory

For SAM Global Securities Ltd.



Director/Authorised Signatory

ATTENTION
Shri
Company Secretarial Dept
17, Netaji Subhash Marg
Darya Ganj, New Delhi

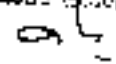
(D) Parts of the Scheme of Amalgamation


This Scheme of Amalgamation is divided into the following parts:

1. PART I - Definitions and Share Capital;
2. PART II - Amalgamation of SAM with SMC; and
3. PART III - General Terms and Conditions



For SMC Global Securities Ltd.


Director/Authorized Signatory

ATTENTION

Company Secretary
14th Floor of DLF

For SAM Global Securities Ltd.


Director/Authorized Signatory

PART - I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 "Act" or "The Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 1.2 "Appointed Date" means 1st day of January 2008 or such other date as may be approved by the High Court of Judicature at Delhi or National Company Law Tribunal or any other appropriate authority.
- 1.3 "Effective Date" means the date on which certified copy(s) of the Order of the Hon'ble High Court of Judicature at Delhi or National Company Law Tribunal or any other appropriate authority under Sections 391 to 394 of the Act sanctioning this Scheme are filed with the Registrar of Companies, NCT of Delhi & Haryana.
- 1.4 "High Court" means the High Court of Judicature at Delhi.
- 1.5 "NCLT" means National Company Law Tribunal. NCLT is not yet formed due to pending notification of the Companies Amendment Act, 2002. On formation NCLT shall have the powers to discharge matters pending before the High Court then.
- 1.6 "Record Date" means the date to be fixed by the Board of Directors or its committee thereof of the Transferor Company in consultation with Board of Directors of Transferee Company for the purpose of issue of Equity Shares to the members of the Transferor Company.
- 1.7 "SAM" or "the Transferor Company" means SAM Global Securities Limited, a company incorporated under the Act, having its registered office at 17, Namaj Subhash Marg, Darya Ganj, New Delhi - 110002.

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Page 4 of 22

[Faint signature]
Director/Authorised Signatory

For SAM Global Securities Ltd.
[Handwritten Signature]
Director/Authorised Signatory

ATTENTION
[Handwritten Signature]
Registrar (Public) Deptt
High Court of Delhi

- 1.8 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation, in its present form or with any modification(s) made under Clause 15 of this Scheme as approved or directed by the High Court or NCLT or any other appropriate authority.
- 1.9 "SMC" or "the Transferor Company" means SMC Global Securities Limited, a company incorporated under the Act, having its registered office at 17, Netaji Subhash Marg, Darya Ganj, New Delhi - 110002.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or directed by the High Court or NCLT or any other appropriate authority shall be operative from the Appointed Date but shall be effective from the Effective Date.

3. SHARE CAPITAL

- 3.1 The Share Capital of the Transferor Company as on December 31, 2007 is as under:

	As at December 31, 2007 (Rs.)
Authorized Capital	
1,30,10,000 Equity Shares of Rs. 10 each	13,01,00,000
	13,01,00,000
Issued, Subscribed and Paid-up	
1,00,00,057 Equity Shares of Rs. 10 each fully paid-up	10,00,00,570
	10,00,00,570

Subsequent to December 31, 2007, the Transferor Company has issued and allotted 17,30,026 equity shares of Rs. 10 each to Millennium India Acquisition Company Inc on January 21, 2008.

- 3.2 The Share Capital of the Transferee Company as on December 31, 2007 is as under:

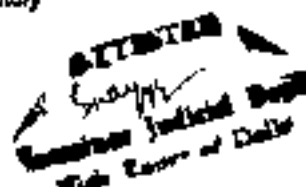
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For SMC Global Securities Ltd.

[Handwritten Signature]
Director/Authorised Signatory

For BAM Global Securities Ltd.

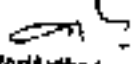
[Handwritten Signature]
Director/Authorised Signatory



	As at December 31, 2007 (Rs.)
Authorized Capital	
1,50,00,000 Equity Shares of Rs. 10 each	15,00,00,000
50,00,000 Preference Shares of Rs 10 each	5,00,00,000
	20,00,00,000
Issued, Subscribed and Paid-up	
75,05,100 Equity Shares of Rs. 10 each fully paid-up	7,50,51,000
	7,50,51,000

Subsequent to December 31 2007, the Transferee Company has issued and allotted 12,98,400 equity shares of Rs. 10 each to Millennium India Acquisition Company Inc on January 21, 2008.

Rajesh

For SMC Global Securities Ltd.

 Director/Authorised Signatory

For SAM Global Securities Ltd.

 Director/Authorised Signatory

ATTENTION
Srinivas
Millennium India Acq
 via Report of Date

PART - II

AMALGAMATION OF SAM WITH SMC

4. TRANSFER AND VESTING OF UNDERTAKING

4.1 With effect from the Appointed Date or such other date as may be fixed or approved by the High Court or NCLT or any other appropriate authority and upon the Scheme becoming effective, the entire business and whole of the undertaking of the Transferor Company, shall in terms of Sections 391 and 394 and other applicable provisions, if any, of the Act, and pursuant to the orders of the High Court or NCLT or other appropriate authority, if any, sanctioning the Scheme shall without any further act, deed, matter or thing, stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the properties and liabilities of the Transferee Company within the meaning of Section 2(1B) of the Income Tax Act, 1961.

4.2 Without prejudice to the generality of the above said Clause:

4.2.1 With effect from the Appointed Date, all the assets, rights and properties of the Transferor Company (whether movable or immovable, tangible or intangible) of whatsoever nature including but not limited to the membership rights in the capital market segment of Bombay Stock Exchange Limited ('BSE') and the trading and clearing membership of the Derivative Segment of BSE, data processing equipments, computers and servers, computer software, investments, land and building, leasehold improvements, plant and machinery, vehicles, furniture and fixtures, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, lease, tenancy rights in relation to properties, any trade mark or copy right, intellectual property rights, permits, quotas, approvals, actionable claims, all rights / title or interest in property(s) by virtue of any court order / Decree, contractual arrangement, allotment, grant, possession or otherwise, memorandums of understandings, hire purchase contracts, lending contracts, permissions, incentives, contracts, agreements (including but not limited to agreements with intermediaries, sub-brokers, business associates and constituents), registrations (including depository participant registration with

For BMC Global Securities Ltd.

Director/Authorised Signatory

For SAM Global Securities Ltd.

Director/Authorised Signatory

ATTENTION
Company Secretary
Registrar
High Court of Delhi

Central Depository Services (India) Limited and National Securities Depository Limited) engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and whom so ever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, statutory/regulatory licenses, permissions, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever, shall under the provisions of Sections 391 to 394 of the Act and other applicable provisions and pursuant to the orders of the High Court or NCLT or any other appropriate authority sanctioning this Scheme and without further act, instrument, deed or thing, but subject to the charges affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company. The benefit of all copyrights, trademarks, actionable claims, brands, all rights / title or interest in properties by virtue of any court order / Decree, contractual arrangement, allotment, grant, possession or otherwise, statutory and regulatory permissions, approvals, service tax registrations or other licences and consents shall vest in and become available to Transferee Company pursuant to this Scheme.

- 4.2.2 In respect of all the movable assets owned by the Transferor Company as on the Effective Date and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery or novation, including cash on hand, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date.

(Signature)

Page 8 of 22

For SMC Global Securities Ltd.

(Signature)
Director/Authorised Signatory

For SAM Global Securities Ltd.

(Signature)
Director/Authorised Signatory

ATTENTION
Solely
Responsible
For
The
Board of Directors

4.2.3 In respect of the movable assets owned by the Transferor Company as on the Effective Date, other than those mentioned in Clause 4.2.2 above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any with the local and other authorities, body corporates, customers etc, the Transferor Company (shall if so required by the Transferee Company), and/or the Transferee Company may, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Court or NCLT or other appropriate authority, having sanctioned this Scheme, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize the same stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

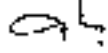
4.2.4 The Transferor Company may with the approval of the Board of Directors of the Transferee Company or its committee thereof, after the Appointed Date but prior to the Effective Date, transfer/assign their lease, tenancy rights in relation to properties referred in clause 4.2.1 above, to the Transferee Company.

4.2.5 All taxes of any nature, duties, cess or any other like payment or deductions made by the Transferor Company to any statutory authorities such as Income Tax (including Advance tax), Service Tax, etc. or any tax deduction / collection at source, relating to the period after the Appointed Date up to the effective date shall be deemed to have been on account of or on behalf of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the order on this Scheme by the High Court or NCLT upon relevant proof and documents being provided to the said authorities to this effect.

4.2.6 All cheques and other negotiable instruments, payment orders received in the name of the Transferor Company after the Effective Date shall be accepted by


Page 9 of 22

For BMC Global Securities Ltd.


Director/Authorized Signatory

For SAM Global Securities Ltd.


Director/Authorized Signatory

ATTORNEY

Attorney at Law
11th Floor of DLF

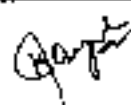
the Bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the Banker of the Transferee Company shall honour cheques issued by the Transferor Company for payment after the Effective Date.

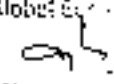
4.3 With effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the Transferor Company, shall be deemed to have been transferred to the Transferee Company and to the extent they are outstanding on the Effective Date shall, without any further act, deed, matter or thing be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which shall undertake to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

4.4 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of the Transferor Company as on the Appointed Date, deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all loans raised and used and all liabilities and obligations incurred by the Transferor Company after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which shall undertake to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.

5 ISSUE OF SHARES

5.1 Upon this Scheme becoming effective and in consideration for the transfer of and vesting of all the assets and liabilities of the Transferor Company into the Transferee



For SMC Global Securities Ltd.

Director/Authorised Signatory

For SAM Global Securities Ltd.

Director/Authorised Signatory

ATTENTION
Company Secretary
National Stock Exchange of India

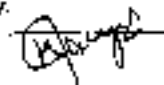
Company, the Transferee Company shall, subject to Clause 5.6 below, without any further act or deed, issue and allot to the members of the Transferor Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Company and approved by them whose names appear in the Register of Members on the Record Date, shares in the share capital of the Transferee Company, on a proportionate basis, at par, credited as fully paid in lieu of shares held by them in the share capital of the Transferor Company, up to the extent indicated below, in the following ratio (the 'Share Exchange Ratio').

One Equity share of the face value of Rs 10 each credited as fully paid up in the share capital of the Transferee Company for every six fully paid up equity shares of the face value of Rs 10 each held in the Transferor Company.

- 5.2 The shares or the share certificates of the Transferor Company in relation to the shares held by its members shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect on and from the Record Date.

In so far as the issue of equity shares pursuant to Clause 5.1 above is concerned, each of the members of the Transferor Company shall be issued shares in the dematerialised form as per the records maintained by the National Securities Depository Limited and/or Central Depository Services (India) Limited on the Record Date. The members of the transferor company shall provide details thereof and such other confirmations as may be required by the Transferee Company. It is only thereupon that the Transferee Company shall issue and directly credit the demat/dematerialised securities account of such member with the shares of the Transferee Company.

- 5.3 The fractional entitlements, if any, to which members of the Transferor Company may become entitled to upon issue of shares pursuant to Clause 5.1 above, will be rounded off to the nearest integer.
- 5.4 The equity shares of the Transferee Company to be issued to the members of the Transferor Company pursuant to Clause 5.1 above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing equity shares of Transferee Company.


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For SMC Global Securities Ltd.


Director/Authorized Signatory

For SAM Global Securities Ltd.

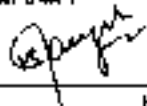

Director/Authorized Signatory

ATTENTION
Smepps
Company Judicial Dept
With Report of Date

- 5.5 The issue and allotment of equity shares by the Transferee Company to the members of the Transferor Company pursuant to Clause 5.1 above is an integral part of this Scheme.
- 5.6 Upon the Scheme becoming effective, the investment in the equity share capital of the Transferor Company held by the Transferee Company as on the Record Date, shall stand cancelled without any further application, act or deed and without allotment of any shares by the Transferee Company in lieu thereof.
- 5.7 The Transferee Company shall apply to Ahmedabad, Delhi, Ludhiana and Calcutta Stock Exchanges for listing and/or admission to trading of the equity shares issued in terms of Clause 5.1 of this Scheme by the Transferee Company. Similarly, the Transferee Company shall also apply to the Gauhati Stock Exchange (where the shares of the Transferor Company are listed) for listing and/or admission to trading of the existing shares of the Transferor Company and the equity shares issued in terms of Clause 5.1 of this Scheme by the Transferee Company. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the respective stock exchanges for the purpose of listing. On such formalities being fulfilled the respective stock exchanges shall list and/or admit such equity shares also for the purpose of trading.
- 5.8 The approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be due compliance of the provision of Section 81 (1A) and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by the Transferee Company to the shareholders of the Transferor Company, as provided in this Scheme.

6 ACCOUNTING TREATMENT


Upon the Scheme becoming effective, the amalgamation of the Transferor Company with the Transferee Company shall be accounted as per the Accounting Standard 14 issued by the Institute of Chartered Accountants of India such that :


Page 12 of 22

For SMC Global Securities Ltd.


Director/Authorised Signatory

For SAM Global Securities Ltd.


Director/Authorised Signatory

ATTENTION
Sudhanshu
General Manager
High Street of Delhi

- 6.1 The Transferee Company shall record all the assets and liabilities, including reserves /Securities Premium and profit and loss of the Transferor Company vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Company, on the Appointed Date.
- 6.2 The Transferee Company shall credit the aggregate face value of the equity shares issued by it to the members of the Transferor Company pursuant to this Scheme to the Share Capital Account in its books of accounts.
- 6.3 The investments in the equity share capital of the Transferor Company as appearing in the books of accounts of the Transferee Company and the investments in the equity share capital of the Transferee company as appearing in the books of accounts of the Transferor company shall stand cancelled and there shall be no further obligation/outstanding in that behalf.
- 6.4 The loans and advances or payables or receivables of any kind, held inter-se, if any between the Transferee Company and the Transferor Company as appearing in their respective books of accounts shall stand cancelled as on the Appointed Date.
- 6.5 The difference in the value of net assets and reserves of the Transferor Company to be vested in the Transferee Company as per Clause 6.1 above and the face value of the equity shares issued by the Transferee Company as per Clause 6.2 above, adjusted for investments in the equity share capital of the Transferor Company and the Transferee Company as appearing in the books of the Transferee Company and Transferor Company, respectively, as per Clause 6.3 above and the cancellation of issued and paid-up equity share capital of the Transferee company as mentioned in Clause 6.7 below, shall be credited to the Capital Reserve Account of the Transferee Company.
- 6.6 In case of any difference in the accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the general reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 6.7 On allotment of shares by the Transferee Company in terms of clause 5.1 of this Scheme, the existing shareholding of the Transferor Company, in the issued and paid-

For SMC Global Capital Services Ltd.

Director/Authorized Signatory

For SAM Global Securities

Director/Authorized Sign

ATTENTION
 Company Secretary
 The Secretariat
 The Secretariat of India

up equity share capital of the Transferee Company shall stand cancelled as an integral part of this Scheme in accordance with the provisions of Section 100 to 104 of the Act.

Further, the Order of the High Court or NCLT or any other appropriate authority sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act for the purpose of confirming the reduction of issued and paid-up capital of the Transferee Company as above. The reduction as above, would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and the provisions of Section 101 of the Act will not be applicable.

7. DIVIDENDS, PROFITS, BONUS/RIGHTS SHARES

- 7.1 The Transferor Company shall not utilize the profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Transferee Company.
- 7.2 The Transferor Company shall not issue or allot after the Appointed Date any rights shares, bonus shares or other shares out of its authorised or unissued share capital for the time being, without the prior written consent of the Board of Directors of the Transferee Company.

B. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

- 8.1 The Transferor Company, undertakes to preserve and carry on the business, with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:
- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court(s); or
 - (b) if the same is expressly permitted by this Scheme; or
 - (c) if the prior written consent of the Board of Directors of the Transferee Company has been obtained.

Page 14 of 22

For SMC Global Securities Ltd.


Director/Authorized Signatory

For SAM Global Securities Ltd.


Director/Authorized Signatory

ATTENTION
[Signature]
Company Secretary
The Secret of India

- 8.2 The Transferor Company shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of the Transferor Company, respectively for and on account of, and in trust for the Transferee Company.
- 8.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by the Transferor Company, shall for all purposes, be treated as the profits/ cash, taxes or losses of the Transferee Company.
- 8.4 All accretions and depletions of the Transferor Company, shall be for and on account of the Transferee Company.
- 8.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by the Transferor Company shall deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties, fees (including the fees paid by the Transferor Company pursuant to Schedule III/IIIA, as the case may be of the Securities and Exchange Board of India (Stock Brokers and Sub-brokers Regulations, 1992) and commitments attached, related or pertaining to the Transferor Company that have been undertaken or discharged by the Transferor Company, shall be deemed to have been undertaken for and on behalf of and in trust for and as an agent for the Transferee Company.
- 8.6 As and from the Appointed Date and till the Effective Date:
- 8.6.1 All assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company on or after the Appointed Date, in accordance with this Scheme, shall be deemed to be the assets and properties of the Transferee Company.
- 8.6.2 All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed Date, whether or not provided in the books of the Transferor Company and all debts, liabilities, loans raised and used,

For SMC Global Securities Ltd

Director/Authorised Signatory

For SAM Global Securities Ltd.

Director/Authorised Signatory

ATTENTION
Company/Authorized Signatory
Sub. Dept. of Exch.

liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to the Transferor Company on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of the Transferee Company.

- 8.7 The Transferor Company shall not vary the terms and conditions of service of its employees except in the ordinary course of its business.

9. STAFF, WORKMEN & EMPLOYERS

- 9.1 On the Scheme becoming effective, all staff, workmen and employees, of the Transferor Company, in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company, with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and on the same terms and conditions of their employment with the Transferor Company, on the Effective Date.

- 9.2 Further, it is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund or trusts created or existing for the benefit of the staff, workmen and other employees, of the Transferor Company, shall become the trusts/funds of the Transferee Company, for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees, of the Transferor Company, will be treated as having been continuous for the purpose of the said fund or funds.

10. LEGAL PROCEEDINGS

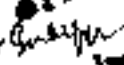


For SMC Global Securities Ltd.


Director/Authorized Signatory

For SAM Global Securities Ltd.


Director/Authorized Signatory

ATTENTION

Company Judicial Dept
High Court of Delhi

10.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising on or after the Appointed Date and relating to the Transferor Company shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

10.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 10.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company, to the exclusion of the Transferor Company.

11. CONTRACTS, DEEDS, RESOLUTIONS ETC.

11.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, agreements, deeds, bonds, schemes, arrangements and instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favor of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.

11.2 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, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Company 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 Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company, shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

For SAM Global Securities Ltd.


Director/Authorized Signatory

For SAM Global Securities Ltd.


Director/Authorized Signatory

ATTENTION
Signature
Registrar Judicial Dept
High Court of Delhi

11.3 Upon the coming into effect of this Scheme the resolutions, if any, of the Transferee Company, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

12 INCREASE IN AUTHORISED SHARE CAPITAL OF THE TRANSFEREE COMPANY

12.1 Upon the coming into effect of this Scheme, the Authorized Share Capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company, including payment of Stamp Duty and fees, if any payable to the concerned Registrar of Companies under the Companies Act, 1956, by the authorised share capital of the Transferor Company amounting to Rs. 13,01,00,000/-, consisting of 1,30,10,000 Equity shares of Rs. 10/- each and consequently Clause V of the Memorandum of Association and the relevant Article of Article of Association of the Transferee Company (relating to authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be in the manner set out below and be replaced by the following clause:

"The authorised share capital of the Company is Rs. 33,01,00,000 (Rupees Thirty Three Crores One Lakh only) divided into 2,80,10,000 (Two Crores Eighty Lacs and Ten Thousand) equity shares of Rs. 10 each and 50,00,000 (Fifty Lacs) preference shares of Rs. 10 each."

12.2 The approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be the approval for increase of the Authorized capital under applicable provisions of the Act and any other consents and approvals required in this regard.

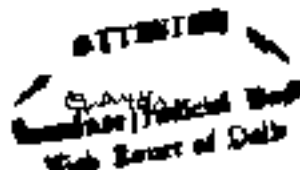
12.3 Pursuant to this Scheme, the Transferee Company shall file the requisite forms with the Registrar of Companies NCT of Delhi & Haryana or any other applicable authority for such increase of the authorized share capital.



Page 18 of 22

For SMC Global Securities


Director/Authorised Signatory



For SAM Global Securities Ltd.


Director/Authorised Signatory

13 **SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of the assets, liabilities and obligations pertaining /relating to the Transferor Company, pursuant to this Scheme, and the continuance of the proceedings by or against the Transferee Company, under Clause 10 hereof shall not affect any transactions or proceedings already completed by the Transferor Company, on and after the Appointed Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/ or on behalf of the Transferor Company, as acts, deeds and things done and executed by and on behalf of the Transferee Company.

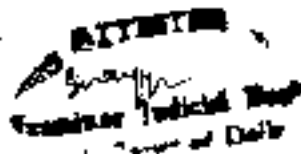
14 **WINDING UP**

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.



For SMC Global Securities Ltd.


Director/Authorized Signatory



For SAM Global Securities Ltd.


Director/Authorized Signatory

PART - III

GENERAL TERMS AND CONDITIONS

15. APPLICATION TO THE HIGH COURT OR NCLT

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications/petitions under Sections 391-394 and other applicable provisions of the Act to the High Court of Judicature at Delhi or NCLT or any other appropriate authority, for sanction of this Scheme and for dissolution of the Transferor Company without winding-up under the provisions of law.

16. MODIFICATIONS/AMENDMENTS TO THE SCHEME

16.1 The Transferor Company and the Transferee Company by their respective Board of Directors may modify/amend or may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the High Court and/or 'any other authority' may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). The Transferor Company and the Transferee Company by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reason of any directives or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

16.2 The term 'any other Authority' referred to in the foregoing clause shall specifically include Securities and Exchange Board of India ('SEBI') and the Stock Exchanges with which the shares of the Transferor Company and Transferee Company are listed and with which the Transferee Company and the Transferor Company will file a copy of the Scheme under sub-clause (f) of Clause 24 of the Listing Agreement of the respective Stock Exchanges.



For SMC Global Securi:

Director/Authorised Signatory

ATTENTION
S. Singh
Company Secretary
11th Floor of Block

For SAM Global Securities Ltd.

Director/Authorised Signatory

17. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 17.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as prescribed under the Act or as may be directed by the High Court or NCLT or any other appropriate authority as applicable.
- 17.2 The sanction of this Scheme by the High Court or NCLT or any other appropriate authority under Sections 391 to 394 and other applicable provisions of the Act in favour of the Transferor Company and the Transferee Company.
- 17.3 Certified or authenticated copy of the Order of the High Court or NCLT sanctioning the Scheme being filed with the Registrar of Companies, NCT of Delhi & Haryana by the Transferor Company and the Transferee Company.
- 17.4 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

18. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 16 not being obtained and/ or the Scheme not being sanctioned by the High Court or NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.



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For BMC Global Securities Ltd.

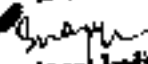


Director/Authorized Signatory

For SAM Global Securities Ltd.



Director/Authorized Signatory

ATTENTION

Registrar Judicial Seal
High Court of Delhi

19. **COSTS, CHARGES AND EXPENSES**

On sanction and approval of the Scheme by the High Court or NCLT or such other appropriate authority, if any, all costs, charges, taxes including duties, levies and all other expenses, if any of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

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For SMC Global
[Signature]
Director/Authorised Signatory

ATTENTION
[Signature]
Registrar Judicial Dept
High Court of Delhi

For SAM Global Securities Ltd.
[Signature]
Director/Authorised Signatory

IN THE HIGH COURT OF DELHI AT NEW DELHI
(ORDINARY ORIGINAL COMPANY JURISDICTION)

COMPANY PETITION NO. 10 OF 2008

CONNECTED WITH

COMPANY APPLICATION (M) NO. 178 OF 2008

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SECTIONS 391 AND 394
OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SCHEME OF AMALGAMATION BETWEEN

SAM GLOBAL SECURITIES LIMITED, a company incorporated under the Companies Act, 1956 having its Registered Office at 11/6B, Shanti Chamber, Pusa Road, New Delhi - 110005.

**TRANSFEROR COMPANY/
PETITIONER COMPANY-I**

AND

SMC GLOBAL SECURITIES LIMITED, a company incorporated under the Companies Act, 1956 having its Registered Office at 11/6B, Shanti Chamber, Pusa Road, New Delhi - 110005.

**TRANSFeree COMPANY/
PETITIONER COMPANY-II**

(Hereinafter individually referred to as SAM and SMC, respectively and collectively referred to as "Petitioner Companies")

Form No. 42

SCHEDULE

PART I

Transferor Company does not hold any freehold property.

WITNESSES
[Signature]
Company Petitioner No. 10
High Court of Delhi



PART II

Owned Properties

S.No.	Location	Address
1	Delhi	Office At 9B, Netaji Subhash Marg, Darya Ganj, New Delhi - 110002

Rented Property

S.No.	Location	Address
1	Delhi	H-64, 1st Floor, Situating At Outer Circle Connaught Place New Delhi-110001
2	Delhi	284-285 & 290-C Fatehpuri Chowk Chandni Chowk Delhi - 110006
3	Delhi	2Nd Floor with terrace right, 17, Netaji Subhash Marg, Darya Ganj, New Delhi - 110002
4	Delhi	C-575, Saraswati Vihar, Delhi - 110088
5	Delhi	11/6-B Shanti Chamber Ground Floor Pusa Road New Delhi 110055
6	Delhi	11/6-B Shanti Chamber Third Floor with terrace right Pusa Road New Delhi 110055

Rajesh



ATTENTION
Sanjay
 Controller Judicial Dept
 With Report of Debt

PART B2

S. No.	Script Name	Total no. of shares
1	Surya Roshni Ltd.	15,296
2	Swaraaj Engines Ltd.	15,196
3	Phoenix Lamps Ltd.	50,211
4	Manna Glass Tech Industries Ltd.	10,000
5	SMC Global Securities Ltd.	460,000
6	Gujarat Mineral Development Corporation Ltd.	300
7	BLB Ltd.	8,399
8	Precision Pipes & Profiles Company Ltd.	7,369
9	Birla Cotsyn (India) Ltd.	220,000
10	Shyam Totalink	35,730
Total		623,501

**INVESTMENTS
(AT COST)**

Name of the Company	Face Value	Nos.	Amount
Membership right in BSE	1	877	2,035,561
Prikrati Retailis Ltd	10	125000	1,250,000
GRAND TOTAL			3,285,561

Certified True Copy

For SMC Global Securities Ltd.

Company Secretary

Certified to be True Copy

Sd/-
 Director, Dept. of Depositories
 & Reg. Office of India
 Registered Under Securities
 Act, 1956

Dated this the 26th February, 2009
 (By order of the Court)

Sd/-
 Deputy Registrar (Co)
 17/02/09

FREE OF COST COPY

THE NATIONAL COMPANY LAW TRIBUNAL

PRINCIPAL BENCH,

AT NEW DELHI

COMPANY PETITION NO. (CAA)-169(PB)2018

CONNECTED WITH THE

COMPANY APPLICATION NO. CA(CAA) NO. 112 (PB) 2018

AND

COMPANY APPLICATION NO. CA(CAA) 631/230-232/NCLT/MB/ MAH/2018

Under Section 230-232 and other applicable provisions of the Companies Act, 2013
read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

In the matter of:

SCHEME OF AMALGAMATION

BETWEEN

SMC Comtrade Limited,

A company incorporated under the
provisions of Companies Act, 1956
and having its registered office at 11/6B,
Shanti Chamber, Pusa Road,
New Delhi - 110005, India.



Demerged Company

SMC Investments and Advisors Limited

A company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 11/5B, Pusa Road, New Delhi-110005, India.

Demerged Company 2

SMC Finvest Limited

A company incorporated under the provisions of the Companies Act, 1956 and having its registered office At A-401/402, Lotus Corporate Park, Jai Coach Junction off Western Express Highway, Goregaon (East) Mumbai -400063, India.

Transferor Company 1

Indunia Realtech Limited

A company incorporated under the provisions of the Companies Act, 1956 and having its registered office At 11/6B, Shanti Chamber, Pusa Road, New Delhi - 110005, India.

Transferor Company 2

SMC Global Securities Limited,

A Company Registered under the Companies Act, 1956, having its registered office at 11/6B, Shanti Chamber, Pusa Road, New Delhi-110005, India.



Resulting Company / Transferee Company

2

CORAM:
CHIEF JUSTICE (RTD.) M.M. KUMAR,
HON'BLE PRESIDENT

MR. S. K. MOHAPATRA,
HON'BLE MEMBER (T)

For the Petitioner/
Applicant:

Mr. Abhishek Nahta, CA, Mr. Sameer
Gupta, Advocate

For Regional Director,
(NR), Delhi:

Ms Kusum Yadav, AD for RD

For Official Liquidator
New Delhi and Mumbai:

Mr Amish Tandon, Ms Swati Kaushal
Advocates

For Income Tax
Department:

Mr. Puneet Rai, Standing Counsel for
Ms. Vibhooti Malhotra, Standing
Counsel for Income Tax Department
with Mr. Sachin Yadav, Advocate.

For Regional Director
(WR):

Mr. C. Balooni, AD for RD(WR),
Mumbai

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ORDER

M.M. KUMAR, PRESIDENT

1. This Joint petition has been filed by the Petitioner Companies under Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016, for the purpose of the approval of the Composite Scheme of Arrangement of the Applicant Companies. The copy of the Scheme has been placed on record.
2. The "Demerged Company 1", SMC Comtrade Limited is a company incorporated on March 21, 1997 under the Companies Act, 1956 having its registered office at 11/6B, Shanti Chamber, Pusa Road, New Delhi-110005, India.
3. The "Demerged Company 2", SMC Investments and Advisors Limited is a company incorporated on August 28, 1997 under the Companies Act, 1956 having its registered office at 11/6B, Shanti Chamber, Pusa Road, New Delhi-110005, India.
4. The "Transferor Company 1", SMC Finvest Limited is a company incorporated on November 6, 2009 under the Companies Act, 1956 having its registered office at A-401/402, Lotus Corporate Park, Jai



COMPANY PETITION NO. 100001/2019



Coach Junction off Western Express Highway, Goregaon (East)
Mumbai - 400063, India.

5. The "Transferor Company 2", Indinia Realtch Limited is a company incorporated on May 25, 2009 under the Companies Act, 1956 having its registered office at 11/6B, Shanti Chamber, Pusa Road, New Delhi-110005, India.
6. The "Transferee Company", SMC Global Securities Limited, was incorporated on the December 19, 1994, under the provisions of the Companies Act 1956, having its registered office at 11/6B, Shanti Chamber Pusa Road, New Delhi-110005. It is listed on the Calcutta Stock Exchange.
7. It is seen from the record that the First motion joint application filed by the petitioner companies bearing no. Company Application no. CA(CAA) no. 112 (PB) 2018 and Company Application no. CA(CAA) 631/230-232/NCJ,TYMB/MAI/2018 and based on such applications filed under Section 230 and 232 of the Act, the requirements of meetings of equity shareholders in relation to Petitioner -Demerged Company 1, Demerged Company 2, Transferor Company 1 and Transferor Company 2 were dispensed with vide order dated 25.09.2018 passed by this Bench. In view of the absence of any secured creditor(s) of the Demerged Company 2, Transferor Company 1 and Transferor Company 2, the

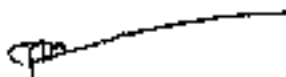
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COMPANY PETITION NO. (CAA)-100/2018



necessity of a requirement of convening a meeting of the said classes got obviated.

8. In the same order the requirements of meetings of unsecured creditors of Demerged Company 1, Demerged Company 2, Transferor Company 1 and Transferor Company 2 were also dispensed with. Additionally, directions were issued to convene the meeting of the Secured Creditors and unsecured creditors of the Demerged Company 1 and Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company. However, the meeting of secured creditors of Demerged Company No.1 could not be held as none of the secured creditors was present for voting. In respect of the meeting of secured creditors of demerged company no.1, an application was filed by the petitioners for dispensation of the requirement of holding and convening the meeting. The said application was allowed by this Bench vide order dated 12.12.2018, dispensing with the requirement of holding and convening the meeting of secured creditors of demerged company no. 1. The other four meetings were duly convened and the Scheme were unanimously approved by the members present and voting in the said meetings. The reports of chairperson and scrutinizer have been placed on record.



COMPANY PETITION NO. (CA) 149/P/2014



9. On 04/01/2019 the Petitioner Companies were directed to carry out publication in the newspapers English Daily 'Business Standard' as well as in Hindi Daily 'Business Standard' Delhi edition and 'The Free Press Journal Mumbai Edition as well as 'Navshakti' Marathi Mumbai Edition. In addition to the public notice, notices were directed to be served on to the Central Government through Regional Director (Northern Region as well as Western Region), Ministry of Corporate Affairs, and the Income tax authorities, Registrar of Companies, NCT of Delhi and Haryana as well as Registrar of Companies, Official Liquidator and to other relevant sectoral regulators.

10. It is seen from the records that the Petitioners have filed an affidavit on 06.02.2019 affirming compliance of the order passed by the Tribunal dated 04.01.2019. A perusal of the affidavit discloses that the petitioners have effected the newspaper publication as directed in English Daily 'Business Standard' on 21.01.2019 as well as in Hindi Daily 'Business Standard' Delhi and 'The Free Press Journal Mumbai Edition as well as 'Navshakti' Marathi Mumbai Edition on 21.01.2019 in relation to the date of hearing of the petition. Further, the copies of petition have been duly served to the Central Government through Regional Director (Northern Region as well as Western Region), Ministry of Corporate Affairs, the Income tax authorities, Registrar of Companies, NCT of



COMPANY REGISTRATION NO. (C.A.A.) 100/PH/2019



Delhi and Haryana as well as Registrar of Companies, Mumbai, Official Liquidator (Delhi and Mumbai), SEBI, Calcutta Stock Exchange of India Limited in compliance of the order and in proof of service has also been placed on record. *

11. Further the Transferee Company being a Clearing and Trading member of the National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and Metropolitan Stock Exchange of India (MSEI) upon submission of the draft Scheme have been granted 'No objection' by:

- a) NSE vide its letter bearing No. NSE/MEM-COMP/68564 dated December 06, 2018;
- b) BSE vide letter dated 26.11.2018 bearing No. MO/AK/PB/RPB/2018/1674 has granted 'No objection'. The copy of the said No Objection certificates are also placed on the record.
- c) MSE vide letter dated 05/12/2019 bearing No. MSE/MEM/33/2018/3115.

12. Further the Demerged Company No.1 being a clearing and trading member of the ICEX, MCX and NCDEX upon submission of the draft Scheme have been granted 'No objection' by:



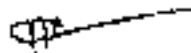
COMPANY PETITION NO. (CA)41109/P/2018



- a) ICEX vide letter dated 29/11/2019 bearing No. ICEX/MEM/2018-19/575.
- b) MCX vide letter dated 10/12/2018 bearing No. MCX/MEM/CS/PG/HG/37536/18
- c) NCDEX vide letter dated 23/01/2019 bearing No. Mem/01/21/853.

13. The Official Liquidator, Mumbai has filed his report in relation to Transferor Company 1 wherein he has observed that

Firstly, In Paragraph 9- where it has been stated that Clause No.6.2.13 of Part III of the Scheme provides for the continuation/protection of the services of the employees of the Transferor Company No.1 in case if they are in service as on Effective Date. However, it is submitted that the Transferee Company/Transferor Company No.1 should file an 'Undertaking to the Hon'ble NCLT with reference to section 232(3)(g) of the Companies Act, 2013 in order to give such protection to all those employees of Transferor Company No.1 who were in service as on Appointed Date as well viz., 1.4.2018, as it will prevent unjustified termination of services of any employee between appointed date and effective date.





Secondly, in Paragraph 12- where it has been stated that, as per Clause No.20.2.2 of the Scheme, the power to amend the Scheme was given to the Board of Directors (as defined under clause no.1.3 of the Scheme which may include any person as well if authorized by Board/its Committee.) Whereas, the section 231(1)(b) read with section 231(2) empowers only the Hon'ble NCLT to direct/order modifications to the Scheme. Accordingly, the Hon'ble NCLT may consider the same and order/direct deletion of clause no.20.2.2 of the Scheme being violative of section 231 of the Companies Act, ibid.

Thirdly, in Paragraph-13 where it has been stated that as per Statement/Report by the Statutory Auditor, the Transferor Company No.1 is a Core Investment Company CIC and therefore need not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. It is made to understand that though the Company is an NBFC, notice of the Scheme need not be issued to the RBI by the Transferor Company No.1 since it being an NBFC-CIC. It is noticed that the Transferor Company No.1 has one company as its subsidiary being a step down subsidiary of the Transferor Company. Transferor Company No.1 may be directed to file a Certificate from its Statutory Auditor that notice of the



Scheme is not required to be issued to the RBI, in terms of extant directions of RBI as applicable to NBFCs classified as CIC but having subsidiaries.

In relation to observations of the Official Liquidator, the Transferee Company has filed an Affidavit dated 14.2.2019 submitting,

- i) That as per clause No.6.2.13 of Part III of the Scheme of Arrangement, the Transferee Company will protect the interest of all the workers/employees of Transferor Company No.1 as on effective date, which is in compliance with the provisions of Section 232(3)(g) of the Companies Act, 2013. The Company will not carry out unjustified terminations of any workers/employees of Transferor Company No.1 consequent to the Scheme of Arrangement.
- ii) That as per Clause No.13 of the Scheme, any amendment or modification to the Scheme to be done by Board of Director is subject to the approval of the Hon'ble National Company Law Tribunal which is in compliance with 231(f)(b) read with section 231(2) of the Companies Act, 2013. Therefore, no amendment/modification shall be carried out by the Board of Directors except with prior approval of the Hon'ble NCLT.

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COMPANY PETITION NO. CC.53/149/2013

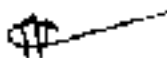


iii) That the Certificate from its Statutory Auditor confirming that the company, being not a systemically important CIC, is not required to seek approval of the Scheme from the RBI, in terms of extant directions of aforementioned RBI guidelines

14. No further objections were raised by the Official Liquidator Mumbai on submissions made by the Transferee Company during hearing on 23.05.2019. It is accordingly seen that no objection has been further raised by the Official Liquidator in respect of the scheme.

15. The Official Liquidator, NCT of Delhi has filed his report in relation to Transferor Company 2 wherein no specific observation has been raised against the approval of the scheme. It is submitted in the report that the official liquidator has not received any complaint against the proposed Scheme from any person/party interested in the Scheme in any manner and that the affairs of the Transferor Company 2 do not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest.

16. The Department of Income Tax has filed its response to the Scheme on 26.03.2019 in respect of Demerged Company No.1. It is accordingly seen that no objection has been raised in the report of Income Tax Department in respect of the scheme for Demerged Company 1.



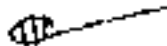
COMPANY PETITION NO. ICAR-160/2018



17. The Department of Income has filed its response to the Scheme on 20.02.2019 in respect of Demerged Company No.2 and Transferor Company No.1. It is seen that the Income Tax Authorities has observed that as per the submission made by the assessee it is seen that the assessee has Reserve and Surplus of Rs.6,49,45,958. The ownership of the same will be transferred to M/s SMC Global Securities Limited the parent company without payment of DDT as a consequence of amalgamation. It is therefore, requested that DDT be deducted before transferring the above mentioned Reserve and Surplus.

In relation to observations made by the Income Tax Authorities, the Transferee Company has filed an Affidavit dated 22.03.2019 stating that as per the CBDT Circular No.5P of 1967, CBDT has clarified that a transfer of assets under a scheme of amalgamation from a subsidiary company to a holding company should not attract provisions of deemed dividend. That as per the CBDT circular, where a company transfers its assets to another company in a scheme of amalgamation, such transfer may not be regarded as a 'distribution' by the company of its accumulated profits to its shareholders even though its accumulated profits are embedded in the assets so transferred pursuant to merger.

Thus, in light of the aforementioned CBDT Circular, the Transferor Company 1 is not required to pay DDT on the Reserve and Surplus that



COMPANY PETITION NO. 102/A/1991/2018

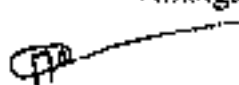


will be transferred to the Transferee Company/Resulting Company as a consequence of amalgamation. A copy of CBDT circular has been placed on record.

18. The Department of Income Tax has filed its response to the Scheme on 25/03/2019 in respect of Transferor Company No.2. It is seen that the Income Tax Authorities has stated that the business of the Transferor Company No. 2 and Transferee Company are different. The Transferor Company No. 2 is an online market platform to Real Estate business and the Transferee Company is in Financial Services. Moreover, the transferor company no. 2 is incurring losses every year (for last three years), while the transferee company is a tax paying company. There appears to be no synchronization in the businesses of two companies and apparently, the purpose of amalgamation is to set off the losses of one company with another company.

In relation to observations made by the Income Tax Authorities, the Transferee Company has filed an Affidavit dated 27.03.2019 wherein the Transferee Company has submitted:

- a) That the brought forward losses of the Transferor Company 2 will not be carried forward pursuant to the Scheme of Amalgamation since the Transferor Company 2 does not





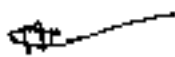
qualify as Industrial Undertaking under section 72A of the Income Tax Act, 1961.

19. No further objections were raised by the Income Tax Authorities on submissions made by the Transferee Company during hearing on 23/05/2019. It is accordingly seen that no objection has been further raised by the Income Tax Authorities in respect of the scheme.

20. The Regional Director (Northern Region) has filed its representation dated 14.02.2019 in which it is submitted that basis report from Registrar of Companies, no prosecution has been filed nor any inspection or investigation has been conducted in respect of petitioner companies. However, the Regional Director made one observation which is as follows:

Refer to clause 10 of the scheme, the Transferee company may kindly be directed to comply with the provision of section 232(3)(i) of the Companies Act, 2013 in regard to fee payable on its revised authorized share capital.

21. In relation to observation made by the Regional Director (Northern Region), the Transferee Company has filed an Affidavit dated 19/03/2019 wherein it has been undertaken that as per Section 232(3)(i) of the Companies Act, 2013, the Resulting Company/ Transferee



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Company will pay the applicable fee, if any, on its revised share capital subsequent to the arrangement.

22. No further objections were raised by the Regional Director (North Region) on submissions made by the Transferee Company during hearing on 23/05/2019. It is accordingly seen that no objection has been further raised by the Regional Director (Northern Region) in respect of the scheme.

23. The Regional Director (Western Region) has filed its representation dated 23.01.2019 in which it is submitted that basis report from Registrar of Companies, no inspection, investigation, inquiry proceedings are pending and there is no complaint against the company. However, the Regional Director made certain observations in paragraph IV which are as follows:

a) In addition to compliance of AS-14 (IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc;

b) As per Part-I, Definitions Clause- 1.2 of the scheme, "Appointed Date" for the purpose of this Scheme and the Income Tax Act, 1961, means April 1, 2018 or such other date



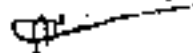
as may be approved by the Tribunal or such other competent authority having jurisdiction to sanction the Scheme. In this regard, it is submitted in terms of provisions of section 232(6) of the Companies Act, 2013 it should be 1st April, 2013.

- c) As per Part-I, Definitions Clause- 18 of the scheme, "Effective Date" means the date on which the last of the approvals or events specified under Clause 14 is obtained or has occurred or the requirement of which has been waived (to the extent permitted under applicable law) and the provisions of the Scheme (as defined hereinafter) are made effective with effect from the Appointed Date.

References herewith "the coming into effect of this Scheme" or "this Scheme becoming effective" shall mean the Scheme coming into effect or becoming effective on the Effective Date with effect from the Appointed Date. In this regard it is submitted that the "Effective Date" shall be as per provisions of section 232(6) of the Companies Act, 2013 and not as specified in the above said clause of the scheme:



- d) The scheme doesn't provide for protection of employees of Transferor Company - I. In this regard the Hon'ble tribunal may kindly direct the petitioner to incorporate a clause for



protecting the interest of workers/employees of Transferor Company -1.

- e) As per Clause - 10 of the Scheme - (Reorganisation of Authorised Share Capital of The Transferee Company). In this regard it is submitted that the fee payable by the Transferee Company shall be in accordance with the provisions of Section 232(3)(i) of the Companies Act, 2013;

24 In relation to observations made by the Regional Director (Western Region), the Transferee Company has filed an Affidavit dated 14.02.2019 wherein it is submitted that:

(a) That the Transferee Company will comply with all the applicable Accounting Standards such as AS-5(IND AS-8) etc. Further, in addition to compliance with the applicable Accounting Standards, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.

(b) That the Appointed Date has been fixed as 1st day of April, 2018 as mentioned in Part I Definitions, Clause 1.2 of the Scheme which is in compliance with Section 232(6) of the Companies Act, 2013.



(c) That as per Part-1, Definitions Clause- 1.8 of the scheme, "Effective Date" means the date on which the last of the approvals or events specified under Clause 14 is obtained or has occurred or the requirement of which has been waived (to the extent permitted under applicable law).

However, the Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date which is in compliance with Section 232(6) of the Companies Act, 2013.

(d) That the clause for protecting the interest of workers/employees of Transferor Company -1 has already been incorporated in the composite scheme vide clause No. 6.2.13.

Therefore, the Transferee Company hereby undertakes to protect the interest of workers/employees of Transferor Company -1 consequent to the Scheme of Arrangement.



(e) That as per the Section 232(3)(i) of the Companies Act, 2013, the Transferee Company will pay the applicable fee, if any, on its revised authorized share capital subsequent to the amalgamation.

(f) That the Scheme enclosed to the Company Scheme Application and the Scheme enclosed in the Company Scheme Petition are one and same and there is no discrepancy or deviation.

25. No further objections were raised by the Regional Director (Western Region) on submissions made by the Transferee Company during hearing on 23/05/2019. It is accordingly seen that no objection has been further raised by the Regional Director (Western Region) in respect of the scheme.

26. Certificates of respective Statutory auditors of all the petitioner companies have been placed on record to the effect that Accounting Treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standard notified by the Central Government as specified under the provisions of Section 133 of the Companies Act, 2013.

27. In the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited (1995) 5 SCC 491 the three Judges bench of Hon'ble



Supreme Court held that:

"A Company court does not exercise appellate jurisdiction over a scheme and its jurisdiction is limited to ascertaining fairness, justness and,

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reasonableness of the Scheme and to ensure that neither any law has been violated or public interest compromised in the process"

28. It has been also affirmed by the petitioner companies that the Scheme is in interest of the Demerged Companies, Transferor Companies and the Transferee Company, their shareholders, creditors, employees and all concerned.

29. In view of the foregoing, upon considering the approval accorded by the members and creditors of all the Petitioner companies to the proposed Scheme, and the affidavit filed by the Ld. Regional Director, Northern Region and Western Region, Ministry of Corporate Affairs, the report of Department of Income Tax, the Official Liquidator NCT of Delhi and the Official Liquidator Mumbai, No Objection Certificate from Calcutta Stock Exchange, BSE, NSE, MCX, ICDEX and NCDEX, there appears to be no impediment in sanctioning the present Scheme.

30. Consequently, sanction is hereby accorded to the Scheme under Section 230 to 232 of the Companies Act, 2013.

The Petitioners shall however remain bound to comply with the statutory requirements in accordance with law.

31. Notwithstanding the above, if there is any deficiency found or violation committed qua any enactment, statutory rule or regulation, the

sanction granted by this court to the scheme will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioners.

33. While approving the Scheme as above, we further clarify that this order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes or any other charges, if any, and payment in accordance with law or in respect to any permission/ compliance with any other requirement which may be specifically required under any law.

THIS TRIBUNAL DO FURTHER ORDER

- *That the Transferor Companies shall stand dissolved without following the process of winding up; and*
- *That all the property rights and powers of the Transferor Companies be transferred without further act or deed (to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Companies Act) 2013) be transferred to and vest in the Transferee Company.*
- *That all the liabilities and duties of the Transferor Companies be transferred without further act or deed (to the Transferee Company and accordingly the same shall be in pursuant to Section 232 of the Act) be transferred to and*



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become the liabilities and duties of the transferee company;

and

- *That all proceedings now pending by or against the Transferor Companies, be continued by or against the transferee company; and*
- *That all the employees of the Transferor Companies in service, on the date immediately preceding the date on which the scheme takes effect, i.e. the effective date shall become the employees of the Transferee Company on such date without any break or interruption in service and upon terms and condition not less favorable than those subsisting in the transferor company on the said date*
- *That all the property, rights and powers of the Demerged Undertakings be transferred without further act or deed (to the Resulting Company and accordingly the same shall pursuant to Section 232 of the Companies Act) 2013) be transferred to and vest in the Resulting Company.*
- *That all the liabilities and duties of the Demerged Undertakings be transferred without further act or deed to the Transferee Company and accordingly the same shall be*



in pursuance to Section 232 of the Act) and become the liabilities and duties of the Resulting company; and

- *That all proceedings now pending by or against the Demerged Undertakings, be continued by or against the Resulting company; and*
- *That all the employees of the Demerged Undertakings in service, on the date immediately preceding the date on which the scheme takes effect, i.e. the effective date shall become the employees of the Resulting Company on such date without any break or interruption in service and upon terms and condition not less favorable than those subsisting in the demerged company on the said date.*
- *That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.*
- *That Petitioner companies shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Company for registration and on such certified copy being so delivered the Transferor Companies shall be dissolved and the Registrar of Company shall place all documents relating*



to the Transferor Company registered with him on the file kept by him in relation to the Transferee Company and the files relating to all the petitioner companies shall be consolidated accordingly.

The petition stands disposed of in the above terms.

Let copy of the order be served to the parties.



Sd/-
11.07.2019
(M.M. KUMAR)
PRESIDENT

Sd/-
(S.K. MOHAPATRA)
MEMBER (T)

Sd/-
12/7/19
सहायक रजिस्ट्रार
ASSISTANT REGISTRAR
राष्ट्रीय कम्पनी विधि अधिकरण
NATIONAL COMPANY LAW TRIBUNAL
C.G.O. COMPLEX, NEW DELHI-110002