HLE GLASCOAT LIMITED

MEMORANDUM

AND

ARTICLES OF

ASSOCIATION

No. 04-16173

CERTIFICATE FOR COMMENCEMENT OF BUSINESS

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

I hereby certify that the ***SWISS GLASCOAT EQUIPMENTS LIMITED*** *which was incorporated under the Companies Act, 1956 (No. 1 of 1956) on the* ***Twentysixth*** *day of* ***August, 1991*** *and which has this day filed a duly verified declaration in the prescribed form that the conditions of Section 149(1)(a) to (d)/149(2)(a) to (c) of the said Act, have been complied with, is entitled to commence business.*

Given under my hand at ***AHMEDABAD*** *this* ***FIFTH*** *day of* ***MARCH,*** *One Thousand Nine Hundred and* ***NINETYTWO.***

Sd/-
(S. K. RAVI)
Registrar of Companies
GUJARAT
Dadra and Nagar Haveli

सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Office of the Registrar of Companies

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Certificate of Incorporation pursuant to change of name

[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]

Corporate Identification Number (CIN): L26100GJ1991PLC016173

I hereby certify that the name of the company has been changed from SWISS GLASCOAT EQUIPMENTS LIMITED to HLE GLASCOAT LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name SHRI GLASTEEL EQUIPMENTS LIMITED.

Given under my hand at Ahmedabad this Fifth day of December two thousand nineteen.

DS MINISTRY OF CORPORATE AFFAIRS 05

MANOJA KUMAR SAHU

Registrar of Companies

RoC - Ahmedabad

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

HLE GLASCOAT LIMITED

H-106 GIDC ESTATE,, VITHAL UDYOGNAGAR, GUJARAT, Gujarat, India, 388121

Company No. 16173

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON

CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES,
[under The Companies Act, 1956 (1 of 1956)]

IN THE MATTER OF ***SHRI GLASTEEL EQUIPMENTS LIMITED.***

I herby certify that ***SHRI GLASTEEL EQUIPMENTS LIMITED*** *which was originally incorporated on* ***26th*** *day of* ***August, 1991*** *under The Companies Act, 1956 and under the name* ***SHRI GLASTEEL EQUIPMENTS LIMITED*** *having duly passed the necessary resolution in terms of section 21/31/44 of The Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the Ministry of Law, Justice and Company Affairs, Deoartment of Company Affairs (Company Law Board on vide letter No.* ***16173*** *Dated* ***03-031992*** *the name of the said Company is this day changed to* ***SWISS GLASCOAT EQUIPMENTS LIMITED*** *and this certificate is issued pursuant to Section 23(1) of the said Act.*

Given under my hand at ***AHMEDABAD*** *this* ***3rd*** *day of* ***MARCH, 1992.*** *(One Thousand Nine Hundred* ***NINETY TWO.****)*

Sd/-
(S. K. RAVI)
Registrar of Companies
GUJARAT
Dadra and Nagar Haveli

FORM I. R.

CERTIFICATE OF INCORPORATION

No. 04-16173 of 1991-92

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

Given under my hand at ***AHMEDABAD*** *this* ***TWENTYSIXTH*** *day of* ***AUGUST****, One Thousand Nine Hundred and* ***NINETYONE.***

Sd/-
(S. K. RAVI)
Registrar of Companies
GUJARAT
Dadra and Nagar Haveli

सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Ahmedabad

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Corporate Identity Number: L26100GJ1991PLC016173

SECTION 13(1) OF THE COMPANIES ACT, 2013

Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

The shareholders of M/s SWISS GLASCOAT EQUIPMENTS LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 18-11-2019 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Ahmedabad this Fifth day of December Two thousand nineteen.

DS MINISTRY OF CORPORATE AFFAIRS 05

MANOJA KUMAR SAHU

Registrar of Companies

RoC - Ahmedabad

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

SWISS GLASCOAT EQUIPMENTS LIMITED

H-106 GIDC ESTATE,, VITHAL UDYOGNAGAR, GUJARAT, Gujarat, India, 388121

292
28/8/25

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT – 2

ITEM No.301

C.P.(CAA)/24(AHM)2025 in
CA(CAA)/2(AHM)2025

Proceedings under Section 230 - 232 of Co.Act,2013

IN THE MATTER OF:

Kinam Enterprise Private Limited ..... **Applicant**
HLE Glascoat Limited

..... **Respondent**

Order delivered on: 14/08/2025

Coram:
Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.

Sd/-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

PJ/AD/SJ/AP

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD (COURT - II)

CP (CAA) No. 24 (AHM) 2025
in
CA (CAA) No.2 of 2025

[Application under Sections 230-232 and with other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016]

In the Matter of

Scheme of Amalgamation of
Kinam Enterprise Private Limited
(Transferor Company)
With
HLE Glascoat Limited
(Transferee Company)

Memo of Parties

Kinam Enterprise Private Limited
(CIN U43229GJ2023PTC142341)
A company incorporated under the Companies Act, 2013 and having its registered office at 7463, Parikrama Apartment, A,Luncikui, 62437, Navsari-396445, Gujarat.

... Applicant Company No.1/ Transferor Company

HLE Glascoat Limited
(CIN L26100GJ1991PLC016173)
A company incorporated under the Companies Act, 1956 and having its registered office at H-106, G.I.D.C. Estate, Vithal Udyognagar-388121, Dist. Anand, Gujarat.

... Applicant Company No.2/Transferee Company

Sd/-

-Sd-

Order Pronounced on: 14.08.2025

Coram:
MRS. CHITRA HANKARE
HON'BLE MEMBER (JUDICIAL)

MR. VELAMUR G VENKATA CHALAPATHY
HON'BLE MEMBER (TECHNICAL)

Appearance:

For the Applicant : Mrs. Swati Soparkar, Advocate

For the Income Tax Dept. : Ms. Bhumi Gandhi, Advocate for Ms. Maithili Mehta, Advocate

JUDGEMENT

1. The present joint Company Petition is filed by the Petitioner Companies under Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 and Companies (Compromise, Arrangement and Amalgamations) Rules, 2016, seeking approval of the Scheme of Amalgamation with effect from the Appointed Date, i.e. 07.08.2023.

2. It is represented that the registered office of both the petitioner companies are situated within the territorial jurisdiction of Registrar of Companies, Ahmedabad, Gujarat, which is falling under the jurisdiction of this Tribunal.

3. The Board of Directors of both the petitioner companies have approved the Scheme of Amalgamation through Board Resolutions dated 13.02.2024 passed in their respective Board Meetings.

4. Petitioner Companies had filed a joint Company Application before this Tribunal being CA (CAA) No.2 of 2025. By an order dated 06.03.2025, this Tribunal had allowed the aforesaid company application. The meetings of Equity Shareholders and

Sd/-

Sd/-

Unsecured creditors in respect of Transferor Companies were dispensed with in view of their consent affidavits. This tribunal directed to convene the meetings of Equity Shareholders and Secured Creditors of the Transferee Company.

5. In compliance with the above directions, meetings of the Unsecured Creditors of the Transferee Company have been conducted by the Chairperson and Scrutinizer, who also have filed their reports in this regard. *Vide* said report dated 23.04.2025, it is seen that the requisite majority of the Equity Shareholders and Secured Creditors of the Transferor Company have approved the proposed Scheme.

6. In compliance of order dated 15.05.2025, petitioner companies published notice of hearing of this petition in 'Business Standard" in English and Gujarati translation thereof in "Jai Hind" both in Ahmedabad edition and served the notices to the Regional Director, Registrar of Companies, Jurisdictional Income Tax Authority along with Principal Chief Commissioner of Income Tax, Official Liquidator (for Transferor Company) and any other authority as applicable.

7. In response to the notice served upon the Regional Director (RD), a representation/report dated 01.07.2025 was filed by the RD North-Western Region, along with the report of the Registrar of Companies (RoC) dated 14.05.2025. The petitioner companies have filed an affidavit dated 18.07.2025 in response to the reports of RD and RoC. Following are the observations of RD and ROC and response of the petitioner companies:

<u>RD's Observations</u>

a. Transferee Company to undertake compliance of Section

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232(3)(i) of Companies Act, 2013 and to pay the difference amount of fees, if any.

The petitioner companies undertake to comply with the provisions of Section 232(3)(i) of the Companies Act.

b. The Appointed Date/ Transfer Date is 07.08.2023 as per para 1.1 of the Scheme, however, company application was filed on 13.12.2024 after more than one year from Appointed Date. As per para 6 (c) of MCA Circular no. 09/2019 dt 21.08.2019 have stated that "if the 'appointed date' is significantly antedated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest". On examination of the scheme, It appears that no justification has mentioned in the scheme about gap of more than one year in filing of application and appointed date.

The Petitioner has explained, with sufficient reasons, the delay caused in filing the present application beyond the prescribed period of one year. Furthermore, the Petitioner Company has placed on record the No Objection Certificates issued by the BSE and NSE in respect of the Transferee Company, which is a listed public company

c. The copy of observation letters dated 03.10.2024 issued by BSE & NSE to the Petitioner Transferee Company pursuant to the SEBI circular No. CFD / DIL /3/ CIR/2017/21 dated 10.03.2017 and SEBI master circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated

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20.06.2023 for necessary compliance. The SEBI's circulars are intended to ensure compliances by listed companies in the interest of shareholders at large. This office is of the view that the SEBI circulars which are applicable, and the petitioner company should comply with the requirements of the circular.

It is submitted that the Petitioner Transferee Company has complied with all the applicable requirements of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular dated November 23, 2021 and June 20, 2023. The Petitioners further undertake to comply with all applicable requirements even while implementing the Scheme, as and when made effective.

RoC's observations

d. The RoC in its report submitted that both the companies are not registered as NBFC's and equity shares of the Transferee Company are listed on Bombay Stock Exchange and National Stock Exchange. The Transferor company has filed Balance Sheet for the year 2023-2024 as it was incorporated on 26.06.2023. The transferee company has filed Balance Sheet as at 31.03.2022, 31.03.2023 and 31.03.2024 as well as relevant Annual Return. It is further submitted that no show cause notice has been issued to both the companies, no court case is pending, no technical scrutiny/inquiry is pending, as per the MCA portal record no complaint received and no inspection / investigation proceedings under Section 209A/206(5) of the Companies Act, 1956/2013 is pending

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against the companies.

e. It is observed from para 6(v) of the order dated 06.03.2025 passed in CA(CAA)/2(AHM) 2025 by the Hon'ble NCLT with respect of Transferee Company that *"There are 6(Six) Secured Creditors in the Applicant Transferee Company and total value of Secured Debt is Rs. 311.11 Crores as on September 30, 2024".*

Whereas, as per the Index of Charges available under the MCA's website, there are 19 open secured Charge IDs in favour of 04 Secured charge holder. Out of above, 02 Secured Charge IDs in favour of 01 Secured Charge Holder (State Bank of India) were satisfied only on 05.11.2024.

It is submitted by the Petitioner Transferee Company that there were only six secured creditors of the Transferee Company, as on 30th September 2024 and the same was confirmed vide the certificate of a Chartered Accountant. It is submitted that since the charges are created for availing different facilities like Term Loans, Working Capital (Fund Based & Non-Fund Based), and Vehicle loans, separate charges are created for different facilities. The number of secured creditors and number of existing open charges cannot be reconciled. It is further submitted that the Petitioner Company has complied with all the requirements under section 77 of the Companies Act, for filing the creation and discharge/satisfaction of the charges from time to time. The applicable provisions of the Act are

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Sd/-

always complied with by the Petitioner Transferee Company. The Transferee company has created charges for various facilities of one or more for all the referred lenders, either as primary security provider or as collateral security provider, and accordingly the outstanding charges on Portal indicate higher number.

f. The RoC submitted that the petitioner companies to preserve its books of accounts, papers and record and shall not be disposed of without prior permission of Central Government as per Section 239 of the Companies Act, 2013. It is further submitted that petitioner companies to ensure statutory compliance of all applicable laws and also on sanctioning of the present Scheme, the Transferor Company shall not be absolved from any of its statutory liabilities, necessary stamp duty on transfer of property/assets, if any, to the respective authorities before implementation of the Scheme and to comply with the provisions of Section 232(5) of the Companies Act with respect to file certified copy of order sanctioning the Scheme with Registrar of Companies within 30 days from the date of passing order.

The petitioner companies undertake to comply with all statutory compliances of applicable laws and on sanctioning of the Scheme and the companies will not absolve from any of its statutory liabilities, in any manner. It is further submitted that there are no CIRP proceedings under IBC or winding up proceedings against either of the Petitioner Companies.

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Sd/-

8. In response to the notice of hearing served upon the office of Official Liquidator (OL), a representation dated 30.06.2025 in respect of the Transferor Company, was filed by the OL. The OL in its report submitted that as per the MCA Portal, the Transferor Company have filed its Balance Sheet with the RoC up to 31.03.2024. It is further submitted that the Transferor Company have not accepted any Deposits under Section 73 of the Act and is not required to register with RBI as NBFC. It is further submitted that since the Transferor Company was incorporated on 26.06.2023, there are no income tax assessment/ dispute pending. There is no adverse observation in respect of the Transferor Company.

The petitioner companies *vide* affidavit dated 18.07.2025, in response to the representation of the OL undertakes to preserve books of accounts, papers and records of the Transferor Company and shall not dispose the same without prior permission of Central Government as required under Section 239 of the Act. The petitioner companies undertake to lodge a certified copy of the order along with the Scheme with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any. The petitioner companies undertake to file certified copy of order sanctioning the Scheme with the RoC within 30 days from the date of issuance of the certified copy of the order.

9. In response to the notice of hearing served upon the Income Tax Department, it has filed report dated 24.04.2025. It stated that the petitioner transferor may be merged with the Transferee Company. In case of all the present outstanding demand and demand raised in future, if any, in case of the transferor

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company will become payable by Transferee Company. Total outstanding demand in the case of Kinam Enterprise Private Limited i.e. Transferor Company is NIL as per demand analysis report. Further, *vide* report dated 13.06.2025 it submitted the outstanding demand details in the case of HLE Glascoat Limited i.e. transferee company is Rs.5,57,24,785/-. The Income Tax Department reserves its rights to determine the tax implications of the transferor company contemplated under the scheme in accordance with the provisions of the IT Act, 1961 and the provisions under the Act shall prevail over anything contrary provided under the scheme.

10. Despite service of notice and paper publication, no representation from any other sectorial/regulatory authorities has been received.

11. Petitioner companies submitted that there are no proceedings/ investigation pending against both the petitioner companies under Sections 210-217, 219, 220, 223, 224, 225, 226 & 227 of the Companies Act, 2013. It is further submitted that there are no winding up petition is pending against the petitioner companies under the provisions of the Act. The Statutory Auditors have certified that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act.

12. We heard the Ld. Counsel for the petitioner companies, counsel for Income Tax Department and perused reports of the Office of the Regional Director, OL and Registrar of Companies and also gone through the material available on record.

13. The counsel appearing for the petitioner companies submitted that the petitioner companies have complied with all statutory

Sd/- Sd/-

requirements as per the directions of this Tribunal and filed the necessary affidavits. The petitioner companies also undertake to comply with statutory/regulatory requirements under the Companies Act, 2013 and the Rules made thereunder, as may be applicable.

14. On the basis of above facts and submissions made by the Learned Counsel representing the petitioner companies, representative of the Regional Director, Counsel for the Income Tax Authorities, the Registrar of Companies and on perusal of the Scheme, it appears that the requirements of the provisions of Sections 230 and 232 are satisfied by the petitioner companies. No objections to the scheme have been produced on record by the petitioners. We are of the considered view that the proposed Scheme of Amalgamation is *bona fide* and in the interest of the shareholders and creditors. In the result, Company Petition No. CP (CAA)/24 (AHM) 2025 in CA (CAA)/2 (AHM) 2025 can be allowed. The Scheme envisages Amalgamation of Kinam Enterprise Private Limited (Transferor Company) into HLE Glascoat Limited (Transferee Company) and their respective shareholders and creditors.

15. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal 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.

16. While approving the Scheme as above, based on the declaration and reply submitted we further clarify that this order should not be construed as an order in granting any exemption from

Sd/-

Sd/-

payment of stamp duty, taxes including Income Tax, GST, etc. or any other charges, if any, and payment in accordance with law or in respect of any permission/compliance with any of the regulatory authorities and with any other requirement which may be specifically required under any law.

17. Therefore, this Tribunal orders as under;

ORDER

I. Company Petition i.e. CP (CAA) 24 of 2025 in CA (CAA) 2 of 2025, is allowed.

II. The Scheme of Amalgamation is hereby sanctioned and it is declared that the same shall be binding on the Petitioner Companies and their Shareholders and Creditors and all concerned under the Scheme.

III. The Appointed Date for the Scheme shall be 07.08.2023.

IV. The Petitioner Companies are directed to comply with the statutory filing requirements sought by the RD/RoC in their report/representation. This would include complying with any provisions that may be needed on account sanction of this scheme to any other regulatory authorities. The Petitioner companies will ensure that there is no charge created before sanction of the scheme/if any to be accordingly deleted if there are no liabilities with any creditors, or any other, irrespective of approval of the scheme and submit the necessary clarifications seeking deletion by the ROC through appropriate creditors who have created charge if any.

V. Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and if it is found that the Scheme of Amalgamation ultimately results in tax avoidance or is not in accordance with the applicable provisions of Income Tax Act, then the Income Tax

Sd/- Sd/-

Department shall be at liberty to initiate appropriate course of action as per law. Any sanction of the Scheme of Amalgamation under Sections 230-232 of the Companies Act, 2013 shall not adversely affect the rights of Income Tax Department or any past, present or future proceedings and the sanction of the scheme shall not come in its way for the appropriate course of action as per law for the tax liabilities, if any against the petitioner companies in complying with any of the provisions of Income Tax and they are liable to be proceeded against at time before or after sanction of the scheme that is approved.

VI. It is declared that the Transferor Company shall be dissolved without winding up on compliance of this order.

VII. All the property right and powers of the Transferor Company and all the other property, rights and powers of the Transferor Company be transferred as per scheme without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Act, be transferred to and vested in the Transferee Company for all the estates and interest of the Transferor Company therein.

VIII. All the liabilities and duties of the Transferor Company be transferred as per scheme to the Transferee Company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 become the liabilities and duties of the Transferee Company.

IX. All workers/employees of the Transferor Company shall be deemed to have become the workers/employees of the Transferee Company as per scheme with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of

Sd/- Sd/-

service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company as on the Effective Date.

X. All proceedings, if any, now pending against the Transferor Company are continued by or against the Transferee Company.

XI. The Petitioner Companies within thirty days of the date of receipt 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 entire Undertaking of the Transferor Company shall stand transferred to the Transferee Company as per scheme and the Registrar of Companies shall place all documents relating to the Transferor Company to the file kept by him in relation to the Transferee Company and the files relating to the said companies shall be treated accordingly.

XII. All concerned Authorities to act on copy of this order along with the Scheme authenticated. Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme.

XIII. The Petitioner Companies are directed to lodge a copy of this Order and the approved Scheme and Schedule of Assets duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty, if any, within 60 days from the date of the Order.

XIV. The Petitioner Companies are further directed to file a copy of this order along with the copy of the Scheme with the concerned the Registrar of Companies, electronically, along

Sd/- Sd/-

with e-form INC-28 in addition to physical copy within 30 days from the date of issuance of the certified copy of the Order by the Registry as per relevant provisions of the Act.

XV. The legal fees and expenses of the office of the Regional Director are quantified at Rs.25,000/- in respect of the Petitioner Companies. The said fees to the Regional Director shall be paid by the Transferee Company.

XVI. The legal fees and expenses of the office of the Official Liquidator are quantified at Rs.20,000/- in respect of each the Transferor Company. The said fees of the Official Liquidator shall be paid by the Transferee Company.

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

Accordingly, Company Petition i.e. C.P. (C.A.A.) / 24 (AHM) of 2025 in C.A.(C.A.A.)/2 of 2025, is disposed of.

Sd/-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

PH-LRA

Prepared by Bhavik

Signature

Date 28/10/25

Certified to be True Copy of the Original

Raj Vaibha

Assistant Registrar
NCLT, Ahmedabad Bench
Ahmedabad

27/10/25

Date of pronouncement of Order: 14/10/25
Date on which application for Certified Copy was made: 21/10/25
Date on which Certified Copy was ready: 27/10/25
Date on which Certified Copy delivered: 28/10/25

4630
14/11/2019

NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD

CP(CAA) No. 107 of 2019 in
CA(CAA) No. 86/NCLT/AHM/2019

Coram: HON'BLE Ms. MANORAMA KUMARI, MEMBER JUDICIAL
HON'BLE Mr. CHOCKALINGAM THIRUNAVUKKARASU, MEMBER TECHNICAL

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 24.10.2019

Name of the Company: HLE Engineers Pvt Ltd
Swiss Glascoat Equipments Ltd
Yashashvi Agrochemical Pvt Ltd

Section of the Companies Act : Section 230-232 of the Companies Act, 2013

S.NO.	NAME (CAPITAL LETTERS)	DESIGNATION	REPRESENTATION	SIGNATURE
1.	SWATI SEPARKAR	ADVOCATE	Petitioners	Swati Separkar
2.				

ORDER

The petitioner is represented through learned counsel.

The Order is pronounced in the open court, vide separate sheet.

CHOCKALINGAM THIRUNAVUKKARASU
MEMBER TECHNICAL

MANORAMA KUMARI
MEMBER JUDICIAL

Dated this the 24th day of October, 2019

NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD

CP (CAA) NO. 107/NCLT/AHM/2019
in
CA(CAA) No. 86/NCLT/AHM/2019

In the matter of:

HLE Engineers Private Limited
(CIN: U29100GJ1980PTC003739)
A company registered under the Provisions
of Companies Act, 1956 and
having its registered office at
Survey No. 60/1,
Ground Floor, Plot – 1 & 2,
Near Shukan Bungalow,
Opp. Maheshvari Bhavan,
City Light Area,
Surat – 395 001
Gujarat ...Petitioner Demerged/Transferee Company

Swiss Glascoat Equipments Limited
(CIN: L26100GJ1991PLC016173)
A company registered under the Provisions
of Companies Act, 1956 and
having its registered office at
H-106, G.I.D.C. Estate,
Vitthal,
Udyognagar – 388 121
Gujarat ...Petitioner Resulting Company

Yashashvi Agrochemical Private Limited
(CIN: U01110GJ2016PTC093104)
A company registered under the Provisions
of Companies Act, 2013 and
having its registered office at
Ground Floor, Plot – 1 & 2,
SY No. 60/1, Paiky TPS – 4, FP – 39,
Maheshvari Bhavan,
City Light,
Surat – 395 001
Gujarat ...Petitioner Transferor Company

Order delivered on 24th October, 2019

Coram: Hon'ble Ms. Manorama Kumari, Member (J)
Hon'ble Mr. Chockalingam Thirunavukkarasu, Member (T)

Appearance: Advocate Ms. Swati Soparkar is present for the Applicant Companies

ORDER

[Per se: Ms. Manorama Kumari, Member (J)

1. The instant joint petition is filed by the Petitioner Companies under Section 230 and 232 and other applicable provisions of the Companies Act, 2013 seeking sanction of this Tribunal to a Composite Scheme of Arrangement involving Demerger and transfer of the Operating Business of HLE Engineers Private Limited (Petitioner Demerged Company/Transferee Company) to Swiss Glascoat Equipments Limited (Petitioner Resulting Company) and Amalgamation of Yashashvi Agrochemical Private Limited (Petitioner Transferor Company) with HLE Engineers Private Limited (Petitioner Demerged Company/Transferee Company).

2. The Board of Directors of all the Petitioner Companies envisage the Scheme to be beneficial to all the shareholders, creditors and other stakeholders of the Petitioner Companies. The rationale for the Scheme and envisaged benefits are stated to be as under:

i. The Demerger of the Operating Business of the Petitioner Demerged Company and vesting of the same in the Petitioner Resulting Company and amalgamation of the Petitioner Transferor Company with the Petitioner Demerged Company/Transferee Company will enhance efficiencies and combine similar business interest into one corporate entity, resulting in operational synergies, simplification, focused management, streamlining and optimization of the business.

ii. The transfer and vesting of the Demerged Undertaking of the Petitioner Demerged Company into the Petitioner Resulting Company, by way of demerger, would facilitate focused management attention, administrative efficiency, organisational efficiency and optimum utilization of various resources being in the similar line of business, provide leadership vision, provide greater leveraging capability due to financial independence and facilitate strategic and/ or financial investment.

iii. The transfer of the Operating Business by the Petitioner Demerged Company and the amalgamation of the Petitioner Transferor Company

with the Petitioner Demerged Company/Transferee Company will enable the Petitioner Demerged Company/Transferee Company to enhance shareholder value accruing from consolidation of the business operations, economies of scale, improved allocation of capital, operational efficiency, integration of processes and optimized cash flows, thus contributing to the overall growth prospects of the Petitioner Demerged Company/ Transferee Company.

iv. The Scheme is expected to enable pooling of resources of the Petitioner Transferor Company, Petitioner Demerged Company/Transferee Company and the Petitioner Resulting Company and thus results into more productive utilization of the resources and reduction of costs, which would be beneficial to all the stakeholders.

v. The Scheme is in the interest of all the Petitioner Companies, their respective shareholders, creditors and employees.

3. The requisite report confirming the proposed Share Entitlement Ratio of Equity Shares, being just and reasonable as provided by M/s. M/s. R. U. Kamath & Company, Chartered Accountants is annexed with the petition and marked as **Annexure XX**. The Fairness opinion for the proposed Share Entitlement Ratio, in relation to Part II of the Scheme, as issued by Vivro Financial Services Private Limited, Category I Merchant Banker is annexed with the petition and is marked as **Annexure XX**. The Statutory Auditors of the Petitioner Demerged/Transferee Company and the Petitioner Resulting Company have confirmed the compliance of applicable accounting standards for the accounting treatment proposed under the Scheme and annexed with the petition as **Annexure XX.**

4. The Petitioner Resulting Company, being a listed public limited company, the approval to the Scheme was first obtained from the Audit Committee of the Petitioner Resulting Company on 16th January, 2019 and thereafter the same was placed before the respective Board of Directors of all the Petitioner Companies. The resolutions dated 16th January, 2019 were passed by the Board of Directors of all the Petitioner Companies. The Scheme was thereafter presented to concerned stock exchange and the observation letter dated 27th May, 2019 was obtained from BSE Limited, where the shares of the Petitioned Resulting Company are listed. Copy of the Observation Letter dated 27th May, 2019 received from BSE Limited is placed on record and has been circulated to all the shareholders of the

Petitioner Resulting Company along with the notice of the meeting convened for approval of the Scheme.

5. The Petitioner Companies filed the proceedings before this Tribunal in the form of joint application being CA (CAA) No. 86 of 2019 seeking directions from this Tribunal for convening and holding separate meetings of Secured Creditors and Unsecured Creditors of the Petitioner Demerged/ Transferee Company and Equity Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner Resulting Company. Dispensation of the meetings of the Equity Shareholders of Petitioner Demerged Company/Transferee Company and Petitioner Transferor Company was sought, as all the Equity Shareholders of both the Petitioner Companies submitted the consent affidavits approving the proposed Scheme. Dispensation of the meeting of the Unsecured Creditors of Petitioner Transferor Company was sought, as there was only one Unsecured Creditor and who submitted the consent affidavit approving the proposed Scheme. There being no Secured Creditors of Petitioner Transferor Company, this Tribunal was of the view that there was no requirement to convene and hold the meeting of Secured Creditors of the Petitioner Transferor Company. Therefore, vide order dated 5th July, 2019, passed in CA (CAA) No. 86 of 2019, the meetings of the Equity Shareholders of Petitioner Demerged Company/Transferee Company and Petitioner Transferor Company and the meeting of Unsecured Creditors of Petitioner Transferor Company were dispensed with, whereas, directions were issued for convening and holding of separate meetings of the Secured Creditors and Unsecured Creditors of Petitioner Demerged Company/Transferee Company. Directions were also issued for convening and holding of separate meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of Petitioner Resulting Company to obtain the approval to the proposed Scheme. Further directions were also issued by this Tribunal for the service of notice upon the statutory authorities viz. Central Government through the Regional Director, North Western Region, the Registrar of Companies, Gujarat and the Income Tax Authorities in respect of all the Petitioner Companies and to Reserve Bank of India, BSE Limited and the Securities and Exchange Board of India in respect of Petitioner Resulting Company as well as publication of the notice of aforesaid meetings in the newspapers viz. "Times of India" English daily Ahmedabad edition having circulation both in Surat and Anand and

Gujarati translation thereof in Gujarati daily "Sandesh" Surat Edition in respect of Petitioner Demerged Company/Transferee Company and "Sandesh Vadodara Edition in respect of the Petitioner Resulting Company. It is submitted that Petitioner Companies complied with the aforesaid directions.

6. Pursuant to the directions of this Tribunal, notices of the meetings were sent individually to all the Secured Creditors and Unsecured Creditors of the Petitioner Demerged Company/Transferee Company as well as to all the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner Resulting Company on or before 23rd July, 2019; together with a copy of the Scheme of Arrangement, the Explanatory Statement and other disclosures. The notice convening the aforesaid meetings were also published in Ahmedabad edition of English daily 'Times of India' and Surat and Vadodara editions of Gujarati daily 'Sandesh' on 23rd July, 2019. The affidavits dated 31st July, 2019 were filed by the Chairman of the aforesaid meetings confirming the compliance of the directions of this Tribunal contained in its order dated 5th July, 2019.

7. The separate meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors of Petitioner Resulting Company were duly convened and held at the registered office of the Petitioner Resulting Company at Vitthal Udyognagar on 23rd August, 2019 and the Chairman appointed for the aforesaid meetings reported the result of the aforesaid meetings to this Tribunal vide his affidavit dated 24th August 2019.

Perusal of the Chairman's report confirms the unanimous approval of the Scheme by the Equity Shareholders, who exercised their right to vote through different modes made available to them viz. remote e voting and voting by physical ballots at the meeting. The Scheme was approved unanimously by the Secured Creditors as well as Unsecured Creditors of the Petitioner Resulting Company at the respective meetings.

8. The separate meetings of the Secured Creditors and Unsecured Creditors of the Petitioner Demerged Company/Transferee Company were duly convened and held at the registered office of the Petitioner Demerged Company/Transferee Company at Surat on 24th August, 2019 and the Chairman appointed for the aforesaid meetings reported the result of the

aforesaid meetings to this Tribunal vide his affidavit dated 24th August, 2019.

Perusal of the Chairman's report confirms the unanimous approval of the Scheme by the Secured Creditors as well as Unsecured Creditors of the Petitioner Demerged Company/Transferee Company at the respective meetings.

9. Vide the aforesaid order dated 5th July, 2019 of this Tribunal, the Petitioner Companies were also directed to serve Notice of the Scheme to the statutory authorities viz. (i) Central Govt. through the Regional Director, North-Western Region, (ii) Registrar of Companies, Gujarat, (iii) concerned Income Tax Authorities; and upon (iv) The Reserve Bank of India (v) BSE Limited; and (vi) Securities and Exchange Board of India only in case of the Petitioner Resulting Company, and upon the Official Liquidator for the Petitioner Transferor Company; along with Notice, Explanatory Statement and other documents and disclosures. The notices were duly served on all the aforesaid statutory authorities on or before 24th July, 2019. The affidavits dated 30th July, 2019 confirming the compliance of the aforesaid directions of this Tribunal for service of Notice upon all the aforesaid statutory authorities along with the acknowledgments for the same were filed with this Tribunal. In response to the said notice, the Regional director filed a common representation with this Tribunal dated 6th September, 2019. The Official Liquidator also filed a representation for the Petitioner Transferor Company dated 8th August, 2019. No Representations were received from the Income Tax Authorities or any other statutory authority for any of the Petitioner Companies.

10. The instant joint petition was filed on 5th September, 2019 and was admitted on 16th September, 2019. The date of hearing was fixed as 15th October, 2019. Directions were issued by this Tribunal to publish Notice of Hearing of Petition in the newspapers viz. Ahmedabad Edition of English daily, 'Times of India' and Surat and Vadodara editions of Gujarati daily, 'Sandesh' in respect of all the Petitioner Companies, at least 10 days before the date of hearing of the petition. Further directions were also issued by this Tribunal to serve notice of hearing of the petition to the aforesaid statutory authorities, viz. (i) Central Govt. through Regional

Director- North Western Region, (ii) Registrar of Companies, (iii) Income Tax authorities, and (iv) Official Liquidator at least 10 days before the date of hearing of the petition.

11. Pursuant to the directions of this Tribunal, notices were duly served by the Petitioner Companies on the aforesaid statutory authorities viz. (i) Central Govt. through Regional Director- North Western Region, (ii) Registrar of Companies, (iii) Income Tax authorities, and (iv) Official Liquidator on or before 27th September, 2019 and publication of the notice of hearing of the petition was duly made in the newspapers on 24th September, 2019. The affidavit dated 30th September, 2019 of service of notice of hearing of the petition upon the aforesaid statutory authorities and the publication of the notice of hearing of the petition confirming the compliances of the directions of this Tribunal contained in its order dated 16th September, 2019 and is placed on record.

12. The Petitioner Companies have filed a common additional affidavit dated 30th September, 2019 in response to the representations filed by the Regional Director and the Official Liquidator.

i. It is submitted that Para 2 (a), (b) and (f), of the affidavit by the Regional Director confirm the nature of proposal, consideration as confirmed by the Chartered Accountant as well as Rationale of the proposed arrangement.

ii. Para 2(c), of the affidavit of the Regional Director refers to the proposed consolidation of the Authorised Share Capital of the Petitioner Transferor Company with that of the Petitioner Demerged Company/Transferee Company as envisaged under Clause 40 (b) of the Scheme. It is observed by the Regional Director that under Section 232 (3) (i) of the Companies Act, 2013, the Petitioner Demerged Company/ Transferee Company shall get the set off only for the amount of fees paid by the Petitioner Transferor Company. In view of the same, the Petitioner Demerged Company/Transferee Company will be required to pay the difference of amount of fees payable on the enhanced Authorised Capital as on date and the actual amount of fees paid by the Petitioner Transferor Company at the relevant point of time. In this regard, it is undertaken by the Petitioner Demerged Company/Transferee Company to pay such

difference, if any applicable, for the amount of fees payable as on date on the proposed enhancement of Authorised Capital of Rs. 20,00,000/-.

iii. The Regional Director vide Para 2(d) refers to the proposed transfer of part of the Authorised Share Capital of the Petitioner Demerged Company/Transferee Company to the Petitioner Resulting Company, as envisaged under Clause 40 (a) and 41 of the proposed Scheme and the consequent amendment in the Capital Clause of Memorandum of Association of the Petitioner Demerged Company/Transferee Company and the Petitioner Resulting Company. It is observed by the Regional Director that such transfer and consolidation of the Authorised Capital is permissible under the provisions of law only for the proposed Scheme of Amalgamation and mergers and not for the Scheme of Arrangement involving Demerger. In this regard, it is submitted by the petitioners that there is no specific provision of law prohibiting such transfer and consolidation of capital in case of De-merger. Further, there are numerous instances where such transfer of part of the Authorised Capital has been permitted in case of De-merger by several decisions of the High Courts as well as NCLT. In light of such precedents available, there is no reason not to grant the same in the present Scheme.

iv. Vide Para 2 (e) of the affidavit, it is observed by the Regional Director that the Authorised Share Capital of the Petitioner Resulting Company is insufficient to issue the shares to the shareholders of the Petitioner Demerged Company/Transferee Company, as per the exchange ratio envisaged in the Scheme. In this regard, it is hereby further clarified that on transfer of part of the Authorised Share Capital of the Petitioner Demerged Company/Transferee Company to the Petitioner Resulting Company and the reclassification of the Authorised Share Capital as envisaged under the Scheme, the Authorised Share Capital of the Petitioner Resulting Company shall be sufficient for such issue of new Equity and Preference shares as envisaged in the Scheme and it will not be necessary for the Petitioner Resulting Company to increase its Authorised Share Capital.

v. Vide para 2 (g) of the affidavit, it is observed by the Regional Director that part of the share capital is held by the Non Resident Indians/Foreign National/ Foreign Body Corporate in case of the Petitioner Resulting

Company. The Regional Director has sought confirmation about the compliance of provisions of FEMA and RBI guidelines. In this regard, it is confirmed that the Petitioner Resulting Company has so far made the compliance of all applicable provisions of FEMA and RBI guidelines. The notice under Section 230 (5) of the Companies Act, 2013 has been served upon the RBI and it has not made any representation so far and accordingly, it can be assumed that the RBI has no objection to the proposed Scheme.

vi. Vide para 2 (h) of the affidavit, the Regional Director refers to Clause 19 (v) of the Scheme which deals with the cancellation of the shares of the Petitioner Resulting Company that are held by the Petitioner Demerged Company/Transferee Company and forms part of the Demerged Undertaking. The Scheme envisages the said reduction of Capital of the Petitioner Resulting Company, as an integral part of the Scheme and includes reference to Section 66 of the Act. It is clearly stated in the said clause that in view of the new shares proposed to be issued to the shareholders of the Petitioner Demerged Company/Transferee Company, there is no net reduction of the Share Capital of the Petitioner Resulting Company. It is submitted that the Petitioner Resulting Company is a listed public limited company and the proposals under the Scheme has been verified by SEBI before granting the prior approval to the Scheme vide observation letter dated 27th May 2019 issued by BSE Limited. The aforesaid observation letter has been placed on record.

vii. Vide para 2 (i) of the affidavit, it is observed by the Regional Director that the Petitioner Resulting Company, being a listed company shall be required to comply with SEBI circulars in general and SEBI Circular No. CFD/DIL/3/CIR/2017/21 dated 10th March 2017, in particular. It is stated that the Petitioner Resulting Company has complied with the applicable provisions of the said circulars, has already obtained required prior approval from the concerned stock exchange and SEBI and has further complied with the directions contained in the observation letter. Copy of the said observation letter dated 27th May 2019 has been placed on record with the first motion Application as well as Second Motion Petition. It is further confirmed that a copy of the said letter was sent to all the Equity Shareholders of the Petitioner Resulting Company along with the notice of the meeting and other required documents. It is further

undertaken by the Petitioner Resulting Company to adhere to the compliances upon Scheme being effective.

viii. Vide para 2 (j) of the affidavit, it is observed by the Regional Director that directions be issued for compliance of Section 2 (19 AA) of the Income Tax Act, since the Scheme involves Demerger. In this regard, it is pointed out that clause 1 of the Preamble of the Scheme clearly provides for the same and no further directions are necessary to be issued in this regard.

ix. Vide para 2 (k) of the affidavit, it is observed and confirmed by the Regional Director that the Object Clause of the Petitioner Resulting Company shall be amended, as envisaged under Clause 43 of the Scheme, under the principle of Single Window Clearance. It is pointed out no further procedural compliance under Section 13 of the Companies Act, 2013 shall be necessary for the same. Upon the sanction of the Scheme as a whole, the said proposal shall stand granted.

x. Vide para 2 (l) of the affidavit, it is observed by the Regional Director that the Name Clause of the Petitioner Resulting Company is proposed to be changed to HLE Glascoat Limited, as envisaged vide Clause 42 of the Scheme, under the accepted principle of Single Window Clearance. It is clarified that no further procedural compliance under Section 13 of the Companies Act, 2013 shall be necessary for the same. Upon the sanction of the Scheme as a whole, the said proposal shall stand granted. The Petitioner Resulting Company has already confirmed the availability of Name with the Office of Registrar of Companies, by following due procedure and a copy of the said confirmation letter dated 13th September, 2019 is placed on record.

xi. Vide para 2 (m) of the affidavit, it is observed by the Regional Director that the Petitioner Demerged Company/Transferee Company is engaged in the power generation business and seeks a confirmation about the required licenses, approvals etc. for the said business. It is hereby respectfully submitted that the Petitioner Demerged Company/Transferee Company is engaged in generation of power through Wind mills and have obtained the required approvals. It is hereby further clarified that the same forms part of the Demerged Undertaking and is proposed to be transferred under the Scheme. In view of the same, the Petitioner Resulting Company

undertakes to obtain such approvals as may be necessary for the operation of the Wind mill upon approval of the Scheme.

13. In response to the Notice of the petition served upon the Office of the Official Liquidator for the Petitioner Transferor Company, the Official Liquidator filed with this Tribunal, its representation for the Petitioner Transferor Company dated 8th August, 2019. It is observed that the Petitioner Transferor Company has conducted its business in accordance with its Objects Clause and the same has not been conducted in any manner prejudicial to the interest of its members or public interest, hence the Petitioner Transferor Company may be dissolved without following the process of winding up. Further, the Official Liquidator has sought directions to be issued to preserve the books of accounts, papers and records of the Petitioner Transferor Company and not to dispose of the same without prior permission of the Central Govt. as per the provisions of Section 239 of the Companies Act, 2013. No adverse observations are made in the said report.

14. No representation has been received from the Income Tax Authorities. Hence, it is assumed that the Income Tax Authorities have no objection to the proposed Scheme. However, it is submitted that on the basis of the records of the Petitioner Companies as on 31st March 2019, there is no disputed or undisputed outstanding demand for income tax for the petitioner Transferor Company and the Petitioner Resulting Company. In case of the Petitioner Demerged Company/Transferee Company, there are some disputed income tax demands and the litigation for the same is pending before the appellate authorities. It is confirmed that as and when the said demands are crystallized, the Petitioner Demerged Company/Transferee Company will be liable for making such payments. The Petitioner Companies undertake to abide by all the applicable provisions of the Income Tax Act.

15. In compliance with the proviso to sub-section (7) of Section 230, the Petitioner Companies have placed on record the certificates of statutory auditors dated 16th January, 2019, confirming that the accounting treatment envisaged under the proposed Scheme of Arrangement in the books of the respective Petitioner Demerged Company/Transferee

Company and the Petitioner Resulting Company is in compliance with the applicable Accounting Standards notified by Central Govt. under section 133 of the Companies Act, 2013.

16. Considering the entire facts and circumstances of the case and on perusal of the Scheme and the documents produced on record, it appears that all the requirements of section 230 and 232 of the Companies Act, 2013 are satisfied and the Scheme deserves to be sanctioned.

17. As a result, the petition being CP (CAA) No. 107 of 2019 is hereby allowed. The Scheme which is at **Annexure- 'H'** to the petition is hereby sanctioned and it is declared that the same shall be binding on the Petitioner Companies, their shareholders, secured creditors and unsecured creditors and all concerned under the Scheme.

18. The amount to be paid to the Office of the Regional Director towards legal costs and expenses is quantified at Rs. 37,500-. The said fees to the Regional Director shall be paid by the Petitioner Resulting Company. The amount to be paid to the Office of the Official Liquidator towards legal costs and expenses is quantified at Rs. 10,000/- The same shall be paid by the Petitioner Demerged Company/Transferee Company.

19. Filing and issuance of drawn up order is hereby dispensed with. All concerned authorities to act on a copy of this order along with the Scheme duly authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the authenticated copy of this order along with Scheme immediately.

20. The Petitioner Companies are further directed to lodge a copy of this order, the schedule of immovable assets of the Demerged Undertaking of the Petitioner Demerged Company/Transferee Company and the Undertaking of the Transferor Company as on the date of this order and the Scheme duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty, if any, on the same within 30 days from the date of the order.

21. The Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies,

electronically, along with for INC-28 in addition to physical copy as per relevant provisions of the Act.

22. CP (CAA) No. 107 of 2019 is disposed off accordingly.

Chockalingam Thirunavukkarasu
Member (Technical)

Ms. Manorama Kumari
Member (Judicial)

Certified to be True Copy of the Original
Deputy Registrar
NCLT, Ahmedabad Bench
Ahmedabad

LCT

Date of pronouncement of Order: 24/10/2019
Date on which application for Certified Copy was made: 13/11/2019
Date on which Certified Copy was ready: 14/11/2019
Date on which Certified Copy delivered: 18/11/2019

THE COMPANIES ACT, 2013

MEMORANDUM OF ASSOCIATION

OF

HLE GLASCOAT LIMITED

(Formerly SWISS GLASCOAT EQUIPMENTS LIMITED)

COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 1956)

#I. The Name of the Company is "HLE GLASCOAT LIMITED"

II. The Registered Office of the Company will be situated in the "State of Gujarat".

III. The Objects for which the Company is established are:

[A] THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION IS:

1. To carry on the business as manufacturers, manufacturer's representatives, producers, fabricators, repairers, insulators, traders, stockists, suppliers, exporters, importers, factors, agents and distributors of all classes, kinds, types, nature and description of glass-lined, exotic metals, equipment, tanks, trays, pipes and accessories, laboratory glass, equipment, plain sections, spacers, bands, Y pieces, T pieces, joint, glass, component, valves, glass tubes, reactors, reboilers, receivers, separators, measuring and feed vessels, glass made strirrers, agitators, glass machines and plants and machinery and domestic wares made of glass and components, spares and parts thereof for chemical, pharmaceutical, fertilizer and any other industries or for any commercial and domestic purpose/uses.

2. To carry on the business as manufacturers, processors, importers, exporters, dealers, sellers, buyers, consignors, consignees, agents, stockists, suppliers of all classes, kinds, types and nature of chemicals, dyes, pigments and auxiliaries, intermediates including but without limiting the generality of the foregoing, heavy chemicals, fine chemicals, organic and inorganic chemicals, pharmaceutical, agrochemicals, drug and medicinal chemicals, gum, allied chemicals and boiling agents for textiles, paints, cosmetics, pharmaceuticals, paper, processing, leather, metals, food pigments and

other industries made from whatever substances including minerals. *

3. To manufacture, produce, install, commission, operate, prepare, pay, import, buy, sell, supply, distribute or otherwise deal in all energy production and conversion activities in all its forms inclusive of but not restricted to various renewable sources like solar energy, wind energy, all forms of biomass, geothermal energy, hydel energy, tidal and wave energy as also effective and efficient utilization of conventional energy forms like coal, oil, gas, electricity and all equipment that may be associated with such energy related activities. *

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

1 To acquire and takeover any business or undertaking carried on, upon or in connection with/without any land or building which the Company may desire to acquire as aforesaid or become interested in and the whole or any of the assets and liabilities of such business or undertaking and to carry on the same or to dispose of remove or put an end thereto.

2 To acquire, purchase, start, run, erect and maintain lands, buildings, factories, foundries, workshops, mills, cold storage plants, equipment, machineries, plants and tools, industrial undertaking of any kind, warehouses, cellars, vaults, wagons, branch offices depots and show-rooms for the business of the Company.

3 To form, promote, subsidise, organise and assist or aid in forming promoting, subsidising, organising or aiding companies, syndicates and partnerships of all kinds for the purpose of acquiring and undertaking any properties and liabilities of this Company or for advancing directly the objects thereof, which this Company may think expedient.

4 To acquire from and/or give to any person, firm or body corporate incorporated whether in India or elsewhere, technical information, know-how, processes, engineering, manufacturing and operating data, plants, lay outs and blue prints useful for the design, erection and operation of plant required for any of the businesses of the Company and to acquire any grant or licences and other rights and benefits in the foregoing matters and things.

5 To pay to promoters such remuneration and fees and otherwise recompensate them for their time and for the service rendered by them.

6 To invest any moneys of the Company not immediately required for the purpose of its business in such investments or securities as may be thought expedient, including securities issued and/ or guaranteed by Central or State Government corporation, trusts and financial institutions.

7 To carry out in any part of the world all or any of the Company's objects as principal, agent, factor, trustee, contractor either alone or in conjunction with any other person, firm, association, corporate body, Municipality province, state or Government or colony or dependancy thereof.

8 To secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit and in particular by mortgage, charges upon the undertaking and all or any of the assets and properties (present and future) and the uncalled capital of the Company or by the capital creation and issue on such terms as may be thought expedient of debentures, debenture-stock or other securities of any description or by the issue of share credited as fully or partly paid up.

9 To purchase or otherwise acquire, sell, dispose off, concerns and undertakings, mortgages, charges, annuities for certain period or on deferred basis, patents, licences, securities, concessions, policies, book debts and claims, any interest in real or personal property and any claims against such property or against any person or company.

10 To amalgamate, enter into partnership or into any arrangements for sharing profits or losses, union of interest, co-operation, joint ventures or reciprocal concessions with any person or company carrying on or engaged in or about to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and to give or accept by way of consideration for any of the acts or things aforesaid or properties acquired, any shares, debentures, debenture-stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, To negotiate, enter into agreements and contracts or collaborate with foreign companies, firms and individuals for getting or supplying and procuring financial or technical assistance, know-how in the marketing, importing and exporting of any of the products.

11 To negotiate, enter into agreements and contracts or collaborate with foreign companies, firms and individuals for getting or supplying and procuring financial or technical assistance, know-how in the marketing, importing and exporting of any of the products.

12 To become member of and to communicate with Chamber of Commerce and other mercantile and public bodies throughout the world and to advise on, concert, promote and support measures for the protection, advancement, growth of commerce and industry and for protection and welfare of persons, engaged therein.

13 To take or hold mortgages, liens and charges, to secure the payment of the purchase price or any unpaid balance of the purchase price of any part of the Company's property of whatsoever kind sold by the Company or any money due to the Company from the purchaser and others.

14 To contract with lease holders, borrowers, lenders, annuitants and other for the establishment, accumulation, provisions and payment of sinking funds, renewal funds, redemption funds and any other special funds and that either in consideration of lumpsum or of annual premium or otherwise and generally on such terms and conditions as may be arranged.

15 To undertake and execute any trust or discretion the undertaking whereof may seem desirable and the distribution amongst the beneficiaries, pensioners or other persons entitled to thereof, any income, capital, annuity or other sums of moneys or other properties whether periodically or otherwise and whether in moneys or in specie in furtherance at any trust, discretion or other obligation or permission.

16 To lend money to and guarantee the performance of the obligations of and the payment of interest on any stocks shares and securities of any company, firm or person in any case in which such loan or guarantee may be considered likely directly or indirectly further the objects of this Company and generally to give any guarantee whatsoever which may be deemed likely, directly or indirectly, to bank to benefit the Company or its members.

17 To train and get trained to and/or pay for training for the employees both present and future, for and in connection with the business of the Company.

18 To hold, administer sell, realise, invest, dispose off the moneys and properties, both real and personal and to carry on, sell, realise, dispose off and deal with any estate

of which the Company is executor or administrator or in any trust of which the Company is the Trustee or of which the Company is administrator or in any trust of which the Company is trustee or administrator, receiver, liquidator or agent.

19 To make deposit, enter into, recognised bonds and otherwise give security for the execution of the offices and performance of the duties of executors, administrators and trustees, receivers, liquidators and agents.

20 To take such steps as may be necessary to give the Company the same rights and privileges in any part of the world as are possessed by local companies or partnership of a similar nature.

21 To apply for tender, purchase or otherwise acquire any contracts, subcontracts, licences and concessions for or in relation to the objects or business herein mentioned or any of them and to undertake, execute, carry out, dispose off or otherwise turn to account the same.

22 To dedicate, present or otherwise dispose off either voluntarily or for value any property of the Company deemed to be of national, public or local interest to any national trust, public body, museum, corporation or authority or any trustees for or on behalf of the same or on behalf of the public.

23 To promote, assist or take part and appear or lead evidences before any commission, investigation, inquiry, trial or hearing whether public or private relating to matters connected with any trade business or industry.

24 To promote co-operation, hold conferences, organise and participate in meetings, maintain bureau, carry on correspondence, arrange discussions, symposiums and debates prepare statements, reports and articles relating to any and all matters of interest to the Company.

25 To acquire by purchase, lease, assignment or otherwise lands, tenaments, buildings, basements, right and advantages of any kind whatsoever and to resell, mortgage and let on lease the same.

26 To sublet all or any of the works, contracts from time to time and upon such terms and conditions as may be thought expedient.

27 To form, manage, join or subscribe to any syndicate, pool or cartel for the business of the Subject to the provisions of the Companies Act, 1956 to distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property in the event of winding up.

28 Subject to the provisions of the Companies Act, 2013 to distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property in the event of winding up.

29 To enter into any arrangement with any Government or authority, supreme, municipal, local or otherwise or any person or company that may seem conducive to the Company's objects or any of them and to obtain from any such Government, authority, person or company any rights, privileges, charters, licences and concession which the Company may think fit and desirable to obtain and to carry out, exercise and comply therewith.

30 To apply for, promote and obtain any act, charter, order, regulation, privilege concession, licence or authorisation of any Government, State or municipality or any authority or any corporation or any public body which may be empowered to grant for enabling the Company to carry on its objects into effect or for extending

any of the powers of the Company or for affecting any modification of the Company's constitution or for any other purpose which may seem expedient and to oppose any bills, proceedings applications which may seem calculated directly or indirectly to prejudice the Company's interest and to appropriate any of the Company's shares, debentures, debenture-stock or other securities and assets to defray the necessary costs charges and expenses thereof.

31 To apply for, purchase or otherwise acquire, use, protect and renew in any part of the world any patents, patent rights, brevets d'invention, trade-marks designs, licences, copy rights, concessions and the like conferring any exclusive or non exclusive or limited right to their use or any secret or other information as to any invention, which may seem capable of being used for any of the purposes of the Company or acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired and to expend money in experimenting upon testing or improving any such patents inventions or rights.

32 To establish, provide, maintain, conduct or otherwise subsidise, assist research laboratories and experimental workshops for scientific and technical researches and experiments and to undertake and carry on the scientific and technical researches, experiments and tests of all kinds and to promote studies and research both scientific and technical, investigations and inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, the remuneration of scientific or technical professors or teachers and by providing for the award of scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations experiments, tests and inventions of any kind that may be considered likely to assist any of the businesses which the Company is authorised to carry on.

33 To make donations to such persons or institutions either of cash or any other assets as may be thought directly or indirectly conducive to any of Company's objects or otherwise and in particular to remunerate any person or corporation introducing business to this Company and also to subscribe contribute or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national, public, cultural, educational or other institutions or object or for any exhibitions for any public general or other objects.

34 To establish, aid, support or/and in the establishment and support or associations, institutions, funds, trusts, private or public, for the benefit of its employees or ex-employees, Directors, ex-Directors of the Company or its connections in business and for persons having dealing with the Company or the dependents, relatives or connections of such person and in particular friendly or other benefit societies and grant pensions, allowances, gratuities and bonuses either by way of annual payment or lumpsum and to make payment towards insurance and to form and contribute to provident and other benefit funds for such persons and to provide for the welfare of Directors, ex-Directors and employees and ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings of chawls or by grant of moneys, pensions, allowances, bonuses or other payments and to provide or subscribe or contribute towards places of instructions and recreations, hospitals, dispensaries, holiday-homes, medical and other attendance and other assistance as the Company shall think fit.

35 To refer or agree to refer any claims, demands, disputes or any other questions by or against the Company or in which the Company is interested or concerned and whether between the Company and the member or members or his or their representatives between the Company and third parties to arbitration in India or

any places outside India and to observe and perform awards made thereon and to do all acts, deeds, matters and things to carry out or enforce the awards, in accordance with the provisions of Indian Arbitration Act.

36 To pay all preliminary expenses of any company promoted by the Company or any company in which the Company is or may contemplate being interested and preliminary expenses may include all or any part of the costs and expenses of owners of any business or property acquired by the Company.

37 To enter into joint sector arrangements with any person, body or corporate entity whether in India or abroad for the business of the Company.

38 To pay, out of the funds of the Company, all expenses which the Company may lawfully pay with respect to the promotion formation and registration of the Company or the issue of capital including brokerage and commission for obtaining applications for taking, placing or underwriting of shares, debentures, debenture-stocks or other securities of the Company.

39 To pay for any rights or properties acquired by the Company and to pay to remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of shares in Company's capital or any debentures, debenture-stocks or other securities of the Company or in or about the formation or promotion of the Company or acquisition of properties by the Company for the purpose of the Company whether by cash payment or by the allotment of shares, debentures, debenture-stocks or other securities of the Company credited as paid-up in full or in part or otherwise as the case may be.

40 To open current or fix accounts with any bank, bankers, shroff or merchants and to pay into and draw money from such accounts and to draw, make endorse, discount and execute all types of negotiable instruments.

41 To insure the whole or any part of the property and personnel of the Company either fully or partially, to protect and indemnify any part or portion thereof either on mutual, principal or otherwise basis.

42 To employ experts to investigate and examine into conditions, value, character and circumstances of any business, concerns and undertakings having similar objects and generally of any assets properties or rights.

43 To carry on any branch of a business whether in India or outside India which this Company is authorised to carry on by means or through the agency of any subsidiary Company or companies and to enter into any arrangement with such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on or for finance any such subsidiary, guaranteeing its liabilities or to make any other arrangement which deem desirable with reference to any business or branch so carried on including the power and provision at any time either temporarily or permanently to close any such branch or business.

44 To take part in the management, supervision, conduct and control of the business or operations of any company or undertaking having similar objects and for that purpose to appoint and remunerate the Directors, trustees, accountants or other experts, personnel or agent for any of such operations or purposes.

45 To purchase, take on lease or exchange, hire or otherwise acquire and dispose off any immovable or movable properties, real or personal of all kinds and of any rights or privileges which the Company may think necessary or convenient for the purpose of its business and either to retain the properties so acquired for the purpose of the Company's business or to turn the same to account as may seem expedient.

46 To accept as consideration for or in lien of the whole or any part of the Company's properties either land or cash or Government security or securities guaranteed by Government or shares in joint stock companies or partly the one and partly the other and such other properties or securities as may be determined by the Company and to take back or acquire the properties so disposed off by repurchasing or taking lease the same at such price or prices and on such terms and conditions as may be agreed upon by the Company.

47 To let on lease or licence or on hire purchase or to lend any properties belonging to the Company and to finance for the purpose of any article or articles whether made by the Company or not by way of loans or by hire purchase system.

48 To sell, purchase, mortgage, grants, easements, and other rights over and in any other manner deal with the undertakings, properties, assets, both movable and immovable, rights, effects of the Company or any part thereof whether real or personal for such consideration as the Company may think fit and in particular for shares, debentures, debenture-stock, securities of any other company whether or not having objects all together or in part similar to those of the Company and to make advances upon the security of land and/or buildings and/or other properties movable and/or any interest therein.

49 To vest any movable or immovable properties, rights or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.

50 To undertake and execute any contracts for works for the business of the Company.

51 To create any depreciation fund, reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or any other purpose whatsoever conducive to the interest of the Company.

52 To accept donations, gifts with such conditions, restrictions, obligations, stipulations and liabilities provided that such receipts are not derogative to any objects of the Company.

53 To alienate, transfer, gift, donate, settle, any property of the Company with or without consideration to any person including any trust whether public or private, discretionery or specific either by revocable or irrevocable transfer or settlement and upon such terms and conditions as the Company may deem fit.

54 To explore, examine, investigate, test, make, experiment, obtain report, opinion of experts, certificates, analysis, surveys, plans, descriptions and information in relation to any property or right which the Company may acquire or become interested in or may propose to acquire or with the view of discovering properties or rights which Company may acquire or become interested in and to engage, employ, pay fees to retain the services of and send to any part of the world agents, explorers, technical experts, engineers, lawyers and counsels.

55 To adopt such means of making known the business/activities of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works or art or interest, by publications of books and periodicals and by granting prizes, rewards and donations.

56 To undertake, carry out, promote, sponsor, contribute or assist in any activity, project for rural development including any programme for promoting the social and

economic welfare of or the upliftment of the people in rural areas irrespective whether the Company has any business dealings in such areas or not and to incur any expenditure or use any of the assets and facilities of the Company on any programme or project or activity or rural development and to assist execution and promotion thereof either directly or in association with any other company or person or organisation or through an independent agency or in any manner as the Company may deem fit in order to implement any of the projects or programmes or activities of rural development, to transfer without consideration or at such fair or concessional value and divert the ownership of the properties of the Company to or in favour of any public or local body, authority, Central or State Government or any public institution or trust or fund.

57 To raise or borrow money from time to time for any of the purposes and objects of the Company by receiving advances of any sum or sums with or without security upon such terms as the Directors may deem expedient and in particular by taking deposits from or open current accounts with any individual or firms including the agents of the Company, whether with or without giving the security or by mortgaging or selling or receiving advances on the sale of any lands, buildings, machineries, goods or other properties of the Company or by the issue of the debentures or debenture-stocks, perpetual or otherwise, charged upon all or any of the Company's properties (both present and future) including its uncalled capital or by such other means as Directors may in their absolute discretion deem expedient.

58 Subject to Section 73 of the Companies Act, 2013 and Rules and thereunder and directions issued by Reserve Bank of India, to borrow, raise or secure the payment of money to or receive money and deposit as time deposit or otherwise at interest for any purpose of the Company and at such time or times and in such manner as may be thought fit and in particular by the creation and issue of the debentures or debenture-stocks, bonds, shares, credited as fully or partly paid up, obligations, mortgages, charges and securities of all kinds, either perpetual or otherwise either redeemable annuities in as and by way of securities for any such money so borrowed, raise or received or of any such debentures, debenture-stocks, bonds, obligations, mortgages, charges and securities of all kinds, either so issued to mortgages, pledge or charge the undertaking or whole or any part of the properties, rights, assets or revenue and profits of the Company, present or future, including its uncalled capital or otherwise howsoever by trust, special assignment or otherwise or to transfer or convey the same absolutely or in trust and give the lenders powers, as may seem expedient and to purchase, redeem or pay off any such securities. The Company shall not carry on business of Banking as defined by the Banking Regulations Act, 1949.

59 To indemnify members, officers, directors, agents and employees of the Company against proceedings, cost, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interest of the Company or any loss, damage or misfortune whatsoever which shall happen in the execution of the duties of their offices or in relation thereto.

@IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on shares held by them.

%$#V. The Authorized Share Capital of the Company is Rs.27,60,00,000 (Rupees Twenty Seven Crores Sixty Lakhs only) divided into 12,50,00,000 (Twelve Crores Fifty Lakhs) equity shares of Rs.2/- each and 26,00,000 (Twenty Six Lakhs) preference shares of Rs.10/- each with the power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions, as may be determined , and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

amended pursuant to the certified order of the Hon'ble National Company Law Tribunal, Ahmedabad Bench, dated 24.10.2019 approving the Composite Scheme Arrangement involving Demerger and transfer of the Operating Business of HLE Engineers Private Limited to Swiss Glascoat Equipments Limited and Amalgamation of Yashashvi Agrochemical Private Limited with HLE Engineers Private Limited and their respective shareholders and creditors ('**Scheme'**).

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@ inserted vide resolution passed at the Annual General Meeting of the Company held on 28th August, 2017.

$ amended pursuant to the Sub-division of the Equity Shares of the Company vide resolution passed at the Annual General Meeting of the Company held on September 1, 2022.

% amended pursuant to the Scheme of Amalgamation of Kinam Enterprise Private Limited (the "Transferor Company") with HLE Glascoat Limited (the "Transferee Company"/ "the Company") and their respective shareholders and creditors, sanctioned by the Hon'ble NCLT, Ahmedabad Bemch, vide its order dated 14.08.2025.

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

Sr. No.	Names, Addresses, Descriptions, Occupations and Signature of the Subscribers	Number of Equity Shares taken by each Subscriber	Name, Address, Signature, Description and Occupation of the Common Witness
1.	**Sudarsan P. Amin** Son of Pursottamdas Amin 1, Patel Society, Mota Bazar, Vallabh Vidyanagar-388 120. Industrialist Sd/-	100 (One Hundred)	
2.	**Shashikant P. Patel** Son of Pursottamdas J. Patel Kartikey, Near Railway Station, Vallabh Vidyanagar-388 120. Industrialist Sd/-	100 (One Hundred)	Common Witness To All Subscribers Kamlesh B. Lakdawala Son of Balgovinddas M. Lakdawala 2nd Floor, Bawaji Niwas, May Fair Road, Anand-388 001. Chartered Accountant Sd/-
3.	**Kirit A. Patel** Son of Ambalal Patel J. K. House, Near Old Water Tank, Vallabh Vidyanagar. Businessman Sd/-	100 (One Hundred)	
4.	**Paresh S. Shah** Son of Sumanbhai Shah "Suvij", 35, Vishwas Colony, R. C. Dutt Road, Baroda. Business Sd/-	100 (One Hundred)	
5.	**Nainesh P. Amin** Son of Pursottamdas Amin 1, Patel Society, Mota Bazar, Vallabh Vidyanagar-388 120. Business Sd/-	100 (One Hundred)	
6.	**Naishadh N. Patel** Son of Naginbhai N. Patel 6, Arya Nagar Society, Dairy Road, Anand-1. Industrialist Sd/-	100 (One Hundred)	
7.	**Ambalal Prabhudas Patel** Son of Prabhudas Patel A/43, Nil Kamal Society, Vallabh Vidyanagar-388120. Business Sd/-	100 (One Hundred)	
	Total	**700 (Seven Hundred)**	

Place : **VITHAL UDYOGNAGAR, VALLABH VIDYANAGAR** Dated this **22nd** day of **July, 1991.**

THE COMPANIES ACT, 2013

ARTICLES OF ASSOCIATION
OF

HLE GLASCOAT LIMITED
(Formerly SWISS GLASCOAT EQUIPMENTS LIMITED)

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

TABLE -F
ARTICLES OF ASSOCIATION OF A COMPANY LIMITED BY SHARES

Interpretation

I. (*1*) In these regulations—

(a) "the Act" means the Companies Act, 2013,

(b) "the seal" means the common seal of the Company.

(*2*) 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

II. **1.** 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 recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by 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 or partly in the one way and partly in the other.

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 authorise 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:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

.

(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 authorising the call was passed and may be required to be paid by instalments.

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.

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 recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (*1*) 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 thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

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

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 and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(*ii*) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (*i*) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

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

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. 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

27. 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.

28. 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.

29. 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

30. (*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.

31. (*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.

32. (*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 ordisposed 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.

33. 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

34. 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.

35. Subject to the provisions of Section 61, the Company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

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

(d) 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.

36. 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.

37. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalisation of profits

38. (*i*) The Company in general meeting may, upon the recommendation of the Board, resolve—

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

(b) that such sum be accordingly set free for distribution in the manner specified in 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.

39. (*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 capitalised thereby, and all allotments and issues of fully paid shares if any; and

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

(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 in fractions; and

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

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

Buy-back of shares

40. 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

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (*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

43. (*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.

44. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

45. 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.

46. 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.

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 proceeded 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 notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, 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.

Service of Documents

58. The Company shall serve the document of which a Member is entitled to get a copy of as per the Act, by sending it to him/her by post, by registered post, by speed post, by electronic mode, or any other modes as may be prescribed, in accordance with the provisions of Section 20 of the Companies Act, 2013 and relevant Rules framed thereunder and other applicable provisions, if any.

The Company shall charge from the Member such fees in advance, equivalent to estimated actual expenses required to be incurred for taking copies/ extracts of the document requested as well for the delivery of the said document(s) to be delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to ~~any~~ the request by the shareholder/ Member for delivery of the documents, provided such request along with requisite fees has been duly received by the Company at least 10 days in advance of dispatch of documents by the Company to the shareholder.

Board of Directors

59. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

60. (*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.

61. The Board may pay all expenses incurred in getting up and registering the company.

62. 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 thinks fit respecting the keeping of any such register.

63. 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.

64. 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.

65. (*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.

Proceedings of the Board

66. (*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.

67. (*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.

68. 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.

69. (*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 number to be Chairperson of the meeting.

70. (*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.

71. (*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.

72. (*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.

73. 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.

74. 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

75. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

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

The Seal

77. (*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 authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

78. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

79. 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.

80. (*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, thinks 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.

81. (*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.

82. 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.

83. (*i*) Any dividend, interest or other monies payable in cash in respect of shares maybe 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.

84. 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.

85. 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.

86. No dividend shall bear interest against the company.

Accounts

87. (*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.

Winding up

88. 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

89. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.

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

Sr. No.	Names, Addresses, Descriptions, Occupations and Signature of the Subscribers	Number of Equity Shares taken by each Subscriber	Name, Address, Signature, Description and Occupation of the Common Witness
1.	**Sudarsan P. Amin** Son of Pursottamdas Amin 1, Patel Society, Mota Bazar, Vallabh Vidyanagar-388 120. Industrialist Sd/-	100 (One Hundred)	
2.	**Shashikant P. Patel** Son of Pursottamdas J. Patel Kartikey, Near Railway Station, Vallabh Vidyanagar-388 120. Industrialist Sd/-	100 (One Hundred)	Common Witness To All Subscribers Kamlesh B. Lakdawala Son of Balgovinddas M. Lakdawala 2nd Floor, Bawaji Niwas, May Fair Road, Anand-388 001. Chartered Accountant Sd/-
3.	**Kirit A. Patel** Son of Ambalal Patel J. K. House, Near Old Water Tank, Vallabh Vidyanagar. Businessman Sd/-	100 (One Hundred)	
4.	**Paresh S. Shah** Son of Sumanbhai Shah "Suvij", 35, Vishwas Colony, R. C. Dutt Road, Baroda. Business Sd/-	100 (One Hundred)	
5.	**Nainesh P. Amin** Son of Pursottamdas Amin 1, Patel Society, Mota Bazar, Vallabh Vidyanagar-388 120. Business Sd/-	100 (One Hundred)	
6.	**Naishadh N. Patel** Son of Naginbhai N. Patel 6, Arya Nagar Society, Dairy Road, Anand-1. Industrialist Sd/- **Ambalal Prabhudas Patel** Son of Prabhudas Patel A/43, Nil Kamal Society, Vallabh Vidyanagar-388120. Business Sd/-	100 (One Hundred)	
7.			
	Total	**700 (Seven Hundred)**	