

MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
**WOCKHARDT LIMITED**



No. 11- 120720

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME

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

In the matter of WOCKHARDT PHARMACEUTICALS LIMITED

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

from WOCKHARDT PHARMACEUTICALS LIMITED

to WOCKHARDT LIMITED

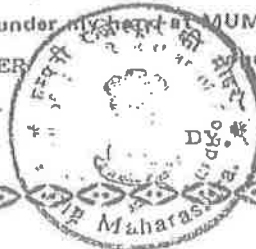
and I hereby certify that WOCKHART PHARMACEUTICALS LIMITED

which was originally incorporated on EIGHTH day of JULY under the Companies Act, 1956 and under the name WOCKHARDT PHARMACEUTICALS LIMITED having duly passed the necessary resolution in terms of section 21/22/(1) (a)/22(1) (b) of the Companies Act, 1956 the name of the said Company is this day changed to WOCKHARDT LIMITED

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

Given under my hand at MUMBAI this TWENTY EIGHTH day of DECEMBER 1985 the thousand nine hundred ninety NINE

D. VIJAYA BHASKAR  
Registrar of Companies  
Maharashtra, Mumbai.







फॉर्म. आई. आर.

Form I.R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता. 11-120720 की सं. 1999  
No. of Date

मैं एतद्वारा प्रमाणित करता हूँ कि आज

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

I hereby certify that WOCKHARDT PHARMACEUTICALS LIMITED

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

मेरे हस्ताक्षर से आज ता. को दिया गया।

Given under my hand at MUMBAI this EIGHTH

day of JULY One thousand nine hundred and NINETYNINE



V. C. Davey  
( V.C.DAVEY )

Addl. कम्पनियों का रजिस्ट्रार  
Registrar of Companies  
Maharashtra, Mumbai



CD.NO. 11-120720



सत्यमेव जयते

कारबार प्रारम्भ करने के लिए प्रमाण-पत्र  
Certificate for Commencement of Business  
कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसरण में  
Pursuant of Section 149 (3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि

जो कम्पनी अधिनियम, 1956 क अधीन तारीख को निगमित की गई थी और जिसने आज विहित प्ररूप में सम्यक् रूप से सत्यापित घोषणा फाइल कर दी है कि उक्त अधिनियम की धारा 149 (1) (क) से लेकर (घ) तक/149 (2) (क) से लेकर (ग) तक की शर्तों का अनुपालन किया गया है, कारबार प्रारम्भ करने की हकदार है।

I hereby certify that the  
WOCKHARDT PHARMACEUTICALS  
LIMITED

which was incorporated under the Companies Act, 1956, on the EIGHTH day of JULY, 1999, 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.

मेरे हस्ताक्षर से यह तारीख को मे दिया गया।

Given under my hand at MUMBAI  
this FIRST day of SEPTEMBER One thousand nine hundred and NINETEEN



V. C. Davey  
(V. C. DAVEY)  
कम्पनियों का रजिस्ट्रार  
Registrar of Companies  
Maharashtra, Mumbai.

G-31/ESTT. 98-99-5000





**COMPANY LIMITED BY SHARES  
THE COMPANIES ACT, 1956**

**MEMORANDUM OF ASSOCIATION**

OF

**WOCKHARDT LIMITED**

- I. The name of the Company is **WOCKHARDT LIMITED**.
- II. The Registered Office of the Company will be situated in the State of **MAHARASHTRA**.
- III. The objects for which the Company is established are:
  - (A) **THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**

- I. To carry on either as manufacturers, processors, traders, dealers, exporters, importers, warehousing agents, commission agents, owners, agents, conductors, loan licensors, loan licenses, re packers, or factors, and either wholesale or retail, of chemicals, bulk drugs, chemical intermediaries, and other pharmaceutical and veterinary products including allopathic, ayurvedic, homeopathic and Unani or Combinations thereof, patent medicines, scientific chemicals, organic, inorganic, biological, immunological, and therapeutic and surgical preparations, antibiotics, herbal and veterinary medicines and surgical equipment.

- I(a) To establish, undertake, develop, maintain, or otherwise subsidise Research & Development Laboratories research centres or institutions, medical centres, experimental workshops for scientific, technical, bio-technological, chemical, peptide, Novel Drug technologies, Novel Drug Discoveries, pharmacological, toxicological research, development and experiments and to undertake and carry on with scientific and technical research of all kinds and clinical trials on animals and humans and scientific investigations and inventions by providing or subsidising, undertaking or supporting, endowing or assisting laboratories, workshops, research institutions, libraries, lectures, meetings and conferences, Research and Development programmes and scientists in India and worldwide and hold meetings, exhibitions, conferences and seminars in all fields of medicines and science.

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

2. To undertake and execute any contracts for works involving the supply or use of the Company's goods, products and articles and to carry out any ancillary or other works comprised in such contracts.
3. To buy, sell, Manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in or to act as commission agents, loan licensee for appliances, equipment, apparatus, products, materials. Substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers of or persons having dealings with the Company or commonly dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and dealing all products incidental to or obtained in any of the business of the Company.
4. To establish provide, maintain and conduct or otherwise subsidise research laboratories, research centres, hospitals, Day care and Medical centre, and institutions, and experimental workshops for scientific chemical and technical research and experiments and to undertake and/or carry on with all scientific, chemical and technical researches, experiments, and tests of all kinds and to promote studies and research, both scientific chemical and technical investigations and inventions by providing, subsidising, endowing or assisting laboratories, workshops, institutions centres, libraries, lectures, meetings and conference and by providing for the remuneration of scientific or technical scientist, research scholars professors or teachers and by providing for the award of exhibitions, 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 business which the Company is authorised to carry on.
5. To apply for and acquire and hold any patents, trade marks, Identification marks, registrations, privileges, loan licences, licences, concessions, or other rights, powers or orders from the Central or State Government or any local or other authority in any part of the world and to exercise, carry on and work any powers, rights and privileges so obtained and exclusively use such patents, trade marks, registrations and to constitute or incorporate the company or other society in a foreign country or state.
6. To appoint representatives or agents and constitute agencies of the Company in any part of the world and for all purposes to act solely or jointly with any other person, company, corporation or body as the circumstances may require.
7. To lend money to such persons, firms and companies and on such terms as may be deemed expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of contracts by any such persons, firms or companies, and/or invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such securities and real properties and in such manner as the Company may think fit and from time to time to vary or realise such investments.

8. To make and enter into forward transactions permissible in law in raw materials, other goods or merchandise, commodities and currencies as are required for the purpose of the Company.
9. To remunerate any person, firm or company rendering services to this Company, either by cash or by the allotment to him or them of shares or securities (including debentures) of the Company credited as paid up in full or in part or in any other manner as may be thought expedient.
10. To draw, make, accept, endorse, discount, execute, and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, bonds and other negotiable or transferable instruments.
11. To do all or any of such things as manufacturers, principals, agents, consignors, consignees, contractors, trustees or otherwise, and by or through trustees, agents, or otherwise and either alone or in conjunction with others as are incidental or conducive to the attainment of the objects of the Company.
12. To pay all cost, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital including any underwriting or other commission, broker's fees and charges in connection therewith and to remunerate (by cash or other assets or by the allotment of fully or partly paid shares or call or option of shares, debentures, debenture-stock or securities of this or any other company or in any other manner whether out of the Company's capital or profits or otherwise) any person or persons for services rendered in introducing any property or business to the Company or in placing or assisting to place or guaranteeing the subscription of any shares, debentures, debenture-stock or other securities of the Company or for any other reason which the Company may think proper.
13. To borrow or raise money or to receive money on deposit at interest or otherwise in such manner as the Company may think fit and in particular by the issue of debenture or debenture-stock perpetual or otherwise including debenture-stock convertible into shares of this or any other company or perpetual annuities and in security of any such money so borrowed, raised or received to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities. Nothing herein contained shall, be deemed to empower the Company to carry on the business of banking as defined by the Banking Companies Act.
14. To create any Reserve Fund/Account, Sinking Fund, Insurance Fund/Account or any other special Fund/Account whether for depreciation or for renovating, repairing, improving, extending or maintaining the property of the Company for any other purpose conducive to the interests of the Company, and to vary or transpose one or more to the other.
15. Subject to the provisions of the Companies Act, 1956 for the time being in force in India and to the extent permitted therein to place, to

reserve or to distribute as bonus shares amongst the members or otherwise to apply as the Company may from time to time think fit any moneys received by way of premium on shares or debentures issued at premium by the Company and any moneys received in respect of forfeited shares and moneys arising from the sale by the Company of forfeited shares or from any other reserves.

16. To undertake the payment of all rent and the performance of all covenants, conditions and agreement contained in and reserved by, and lease that may be granted or assigned to, or be otherwise acquired by the Company, and to purchase the reversion or reversions or otherwise acquire the freehold or all or any part of the leasehold lands and buildings for the time being the property or in the possession of the Company.
17. To subscribe to, or otherwise aid benevolent, charitable, national, or other institutions, or objects of a public character, or which have any moral or other claims to support or aid by the company by reason of the locality of its operations or otherwise.
18. To expend money in research experimenting on and testing and in improving or seeking to improve any products, equipment, apparatus names, patents, trade marks, identification marks, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.
19. To establish and support or aid in the establishment and support of associations, institutions, centres, funds, trusts and conveniences calculated to benefit persons who are or have been Directors of or who are or have been employed by or who are serving or have served the Company or any company which is a subsidiary or associate of the Company or its predecessors in business or dependants or connections of such persons and to grant pensions and allowances and to make payments towards insurance.
20. To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of this Company.
21. To take or otherwise acquire, and hold shares in any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
22. To acquire any business within the objects of the Company, and any lands, properties, Goodwill, trade-marks, patents, permissions, copy-rights, privileges, rights, contracts, property or effects, held or used in connection therewith and upon any such purchase to undertake the liabilities of any Company, association, partnership or person.
23. To amalgamate with any other company having objects altogether or in part similar to those of the Company.
24. To promote any company or companies for the purpose of acquiring all or any of the property rights and liabilities of this Company or for any other purpose which may directly or indirectly be calculated to benefit this Company.

25. To enter into partnership or into any arrangement for sharing profits or into any union of interest, joint venture, marketing, sales promotion, contribution, loan licensing agreements, reciprocal concessions or co-operation with any person or persons or company or companies carrying on, or engaged in or about to carry on or engage in, or being authorised to carry on or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.
26. To enter into working arrangements of all kinds including rendering and obtaining technical services or collaboration with other companies, corporations, firms or persons and also to make and carry into effect arrangements with respect to union of interest or amalgamation, either in whole or in part, or any other arrangements with any other companies, corporations, firms, or persons.
27. To enter into arrangements for rendering and/or obtaining technical services and/or technical collaboration either on a turnkey basis or otherwise and also scientific marketing services or collaboration with individuals, firms, or body corporate whether in or outside India.
28. To sell or otherwise dispose of the whole or any part of the business property or undertaking of the company, either together or in portions, for such consideration as the Company may think fit and in particular for shares, debentures, or securities of any other company having objects altogether or in part similar to those of this Company.
29. To distribute among the members of the Company in specie or in kind any property of the Company, and in particular any shares, debentures or securities of other companies belonging to this Company, or of which this Company may have the power of disposing, subject to the provisions of the Companies Act.
30. To procure the Company to be recognised in any part of the world.
31. To undertake and execute any trust or discretion and distribute amongst the beneficiaries pensioners or other persons entitled thereto, of any income capital or annuity, whether periodically or otherwise, and whether in money or specie, in furtherance of any trust, direction, discretion or other obligation or permission and for the purposes aforesaid to hold, deal with, manage, direct the management of and buy, sell, exchange, mortgage, charge, lease, dispose of or grant any right or a interest in over or upon any immovable or movable property or any kind whatsoever, including contingent and reversionary interest in any property and to undertake and carry on any business transaction in furtherance of any such trust or discretion.
32. To carry on any business or branch of a business which this Company is authorised to carry on by means, or through the agency of, any subsidiary company or companies, and organise, promote and incorporate such 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 financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangements which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business.

33. To appoint or nominate Directors or Managers of any subsidiary company or of any other company in which this Company is or may be interested.
34. To purchase, take, hire or otherwise acquire any immovable or movable property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land, building, easements, machinery, plant or stock in trade, trade marks, patents, goodwill and either to retain any property so acquired for the purpose of the Company's business or to turn it to account as may seem expedient.
35. To assist in the sale of goods, articles or commodities which the Company is authorised to produce or deal in by way of hire, purchase or deferred payment, or similar transactions, and to institute, enter into, carry on, subsidise finance or assist in subsidising of financing the sale and maintenance of such goods, articles or commodities upon any terms whatsoever; to acquire and discount, hire purchase or other agreements or any rights thereunder (whether proprietary or contractual) and to import, export, buy, sell, barter, exchange, pledge, make advance upon, and otherwise deal in such goods, produce, articles and merchandise.
36. To enter into arrangements with individuals, association of persons, companies, firms, Governments, local authorities, institutions, municipalities and Government agencies, for promoting and increasing the manufacture, sale, purchase, and maintenance of goods, articles or commodities of all and every kind and description, either by buying, selling, letting on hire, hire-purchase or easy payment systems, or by financing or assisting such other companies, firms or persons, to do all or any of such last mentioned acts, transactions and things and in such manner as may be necessary or expedient and in connection with or for any of these purposes to purchase agreements, advance money, give guarantee or security or otherwise finance or assist all or any of such purposes on such terms and in such manner as may be desirable or expedient.
37. To guarantee the payment or performance of any debts, contracts or obligations or become surety for any person, firm or company, for any purpose whatsoever and to act as agents for the collection, receipt or payment of money, to give guarantees and indemnities.
38. To sell, lease, exchange, dispose of, grant licences, easements and other rights over or turn to account and in any manner, deal with or dispose of, the whole or any part of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company.
39. To acquire any shares, stocks, debentures, debenture-stock, bonds, obligations, fixed deposits or securities by original subscription contract, tender, purchase, exchange or otherwise and whether or not fully paid up by underwriting, or participation in syndicates and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

40. To apply for purchase, or otherwise acquire and protect, prolong and renew in any part of the world any patents, patent rights, brevets d'invention, copyright, trade marks, formulas, designs, licences, 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 the acquisition of which may seem calculated, directly or indirectly to benefit the Company and to use, exercise, develop or grant licences in respect of, otherwise turn to account the property, right or information so acquired and to expend money in experimenting upon and testing or improving any such patents, inventions or rights.
41. To refer or agree to refer any claim, demand, dispute or any other question, by or against the Company, or in which the Company is interested or concerned, and whether between the Company and any member or members or his or their representatives, or between the Company and third parties, to arbitration in India or in any place outside India, pursuant to Indian or any foreign system of law, and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce any award.
42. To pay all preliminary expenses of any company promoted by the Company or any Company in which this Company is or may contemplate being interested including any such preliminary expenses or any part of the costs and expenses of the owners of any business or property acquired by the Company.
43. To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, radio, television, or other media by circulars, by purchase and exhibition of works of art, by publication of books and periodicals and by granting prizes, reward, donations, scholarships, literatures brochures and visual aids, etc.
44. 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 purchasers, customers and others.
45. To invest and deal with the surplus money of the Company including investment in fixed deposits with, companies, firms, or any organisation, in such manner as may from time to time be determined.
46. To subsidise, or contribute to or otherwise assist in or take part in the construction, maintenance, improvement, management, working, control or superintendence of any operations or works or buildings useful or expedient or convenient or adaptable for the purposes of the Company which may be constructed by or may belong to or be worked by or be under the controls or superintendence of others.
47. To clear, manage, farm, and cultivate, irrigate and otherwise work or use any lands over which for the time being the Company has any rights, and to dispose of or otherwise deal with any product of any such lands, and to lay out sites for and establish permanent camps, towns and villages on any such lands.

48. To insure the whole or any part of the property of the Company either fully or partially, to protect and indemnify the Company from liability or loss in respect thereof either fully or partially.
49. carry out in any part of the world all or any part of the objects of the Company and do all or any of the above things and either as principal, agent, factor, trustee, contractor or otherwise and by or through trustees or agents or otherwise and either alone or in conjunction with others.
50. To take part in the management, supervision and control of the business or operations of any company or undertaking and for that purpose to appoint and remunerate any Directors, Trustees, Accountant or other experts or Agents.
51. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all of its states, territories, possessions and in any or all foreign countries and for this purpose to have and maintain and to discontinue such number of offices and agencies therein as may be convenient.
52. To engage in research into all problem relating to personnel and industrial and business management and distribution, marketing and selling, to collect, prepare and distribute information and statistics relating to any type of business or industry and to promote or propose such methods, procedures and measures as may be considered desirable or beneficial for all or any of the Company's objects.
53. To make donations to such persons or institutions and in such cases and either in kind or by cash or by any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient 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, literary, religious or benevolent, national, public, general or other objects and to establish and support or aid in the establishment and support of associations, funds, trusts and conveniences for the benefit of employees or ex-employees (including Directors) of the Company or its predecessors in business or of any persons having dealings with the Company or its predecessors in business or the dependants, relatives or connections of such persons and in particular friendly co-operative or other benefit societies and to grant pensions, allowances, gratuities, bonuses and other termination benefits either by way of annual payments or a lump sum and to make payments towards insurance and to form and contribute to provident, benefit, pension or super annuation funds of or for such persons.
54. To undertake rural development activities and other activities for the welfare of the community or of the country and the people in general.
55. To undertake and carry on the office or offices and duties of trustee, custodian, receiver, attorney, or nominee of or for any person, company, corporation, association, Government, State, Municipal or other body politic or corporate, and for the said purposes to hold, deal with, manage, direct the management of, buy, sell, exchange, mortgage, charge, lease, dispose of, or grant any right or interest in over or upon any real or personal property of any kind whatsoever



including contingent and reversionary rights in any property and to undertake and carry on any business undertaking or transactions, and to undertake and execute any trusts the undertaking whereof may seem desirable and either gratuitously or otherwise.

(C) OTHER OBJECTS:

56. To carry on any other business (industrial, trading, manufacturing, commercial, artistic, agricultural, consulting, servicing or otherwise) and in any goods, commodities, or products; including the business of selling agency, minerals, metals, chemicals, entrepreneurs, general agency, electronics, provisions, oil man stores, foodstuffs, sweets, confectionery, paper & packaging materials, painters and printing press, and any other business which may seem capable of being conveniently carried on and or calculated directly or indirectly to render any of the Company's properties rights or activities for the time being profitable, and also to acquire, promote, aid, foster, subsidise or acquire interest in any industry, commerce, institution, establishment or undertaking and either as importers, exporters, dealers, factors, manufacturers or otherwise in any manner, and as consultants, technical advisers, assessors or surveyors.
57. To manufacture, build, fabricate, repair, refit., service, transport, clean, buy, sell, exchange, hire, import, export, let, trade, and deal in all articles, items, containers, equipment, machinery, weapons and weapon systems required for any marine vessels, carriers, crafts and platforms and other equipment which the Company is authorised to manufacture and deal in and their application to and requirements of aircraft, shore installations, automobiles and other fields or activity.
58. To carry on the business of manufacturing, purchasing dealing or trading in, selling and distributing, as principals or as agents, whether by wholesale or by retail, petroleum and other oils and natural gas, asphalt, ozokerite and hydrocarbons of all kinds and descriptions and all substances derived therefrom or in which they are or may be used.
59. To carry on the business of civil, mechanical and structural engineers, quantity surveyors and specialists in oil engineering and underwater diving in all or any of their respective branches.
60. To carry on the business of mechanical, civil and electrical engineers and dealers in and manufacturers of plants, machinery, motors and engines, tool makers, brass founders, metal workers, boulder makers, mill wrights, machinists, iron and steel converters, smiths, steam and gas fitters, wood workers, builders, painters, metallurgists and water supply engineers, gas markers, carriers and merchants, to buy, sell, manufacture, repair, convert, alter, lease, let on hire and otherwise deal in machinery, implements, rolling stock and hardware of all kinds.
61. To manufacture, brew, distill, process, dehydrate, can, package, buy, sell and deal in confectionery, dry and preserved fruits, juices, vegetable, beer, wines, alcohol and molasses, vanaspati, ghee, vegetable oils, processed food products, ice-cream, candy milk and milk products, sweets and all other edible produce of water.
62. To carry on the business of manufactures, importers, exporters, buyers, sellers, merchants, contractors, brokers, commission agents

and molders of all kinds of plastic, PVC, poly-propylene, polystyrene, plasticizers, polyethylene and polymers, articles, goods and products of all kinds in the manufacture of which above are used including shoes, pipes and tubes, fitting of all types, conduits and stabilizers.

63. To carry on the business of manufacturers of all kinds of plastic machinery, apparatus, equipment, utensils and any other articles for any purpose whatsoever and to manufacture, sell, supply and deal in such plastic machinery, apparatus, equipment and utensils of all kinds.
64. To carry on the business of water proofers and manufacturers of India rubber, leather, imitation leather cloth, plastic, oil cloth, linoleum, tarpaulin, hospital sheets and surgical bandages.
65. To purchase, rent, sell, lease, establish, construct, maintain, regulate and operate posts or agencies in any place suitable for the operating and carrying out of the business and affairs of the Company, and to undertake agencies for other persons, firms, or corporations.
66. To buy, sell, manufacture, dye, bleach, print, import, export or otherwise deal in yarns, metals, minerals, hardware, fire works, timbers, gems, jewellery, plate ware, provisions, drains, sanitary ware, leather goods, electrical goods, accessories and apparatuses, cotton, hemp and other goods, commodities, produce, products, and merchandise of all other kinds.
67. To carry on the business as manufacturers of and dealers in anatomical, orthopaedic, surgical and veterinary appliances and instruments of all kinds.
68. To carry on the business of orthopaedic book makers, corset makers, artificial eye and limb makers, bandage makers, crutch, chair and stretcher makers, carriage and ambulance makers and providers of all requisites for hospitals, patient and invalids.
69. To deal in photographic requisites, perfumery, cosmetics and other toilet preparations, soaps, filters and other articles and commodities of personal household use and consumption.
70. To carry on business as manufacturers of and dealers in wholesale or retail in foods for infants and invalids, dietetic food, cereals and foodstuffs of all descriptions for human and animal use, tonics, beverages, and other restoratives or foods suitable for invalid and convalescents and/or for general public.
71. To provide all services including consultancy and contract services relating to pollution control, corrosion, prevention, testing, fire-fighting, safety, security, waste disposal, port and harbour development, to generate, develop, extract, manufacture, deal in, sell, hire or lease as the case may be energy, food and other products or by-products from the sea, harbours, estuaries, rivers, lakes, clams, and other source, through mechanical, hydraulic, physical, chemical or other means or processes; and to manufacture patent, deal in, sell, hire or lease all such equipment, devices and processes mentioned in this sub-clause or the sub-clauses that follows hereafter.
72. To carry on all or any of the following businesses, namely manufacturers of artificial silk fibres, yarns, and fabrics, other

varieties of synthetic fibres and yarn fabrics, such as nylons, cotton spinners and doublers, flax, hemp and jute spinners, linen and cloth manufacturers, flax hemp, jute and wool merchants, wool combers, worsted spinners, woollen spinners, yarn merchants, worsted stuff manufacturers, leachers and dyers and makers of vitriol, bleaching, dyeing material and raw materials and chemicals required in the production of synthetic fibres and yarns.

73. To purchase, comb, prepare, spin, dye, and deal in artificial silk and other synthetic fibres and yarns, cotton, flax, hemp, jute, wool, milk and any fibrous substances.
74. To establish, provide, maintain, conduct, produce, develop, importers, exporters, dealers and stockists, representatives of other manufacturers in all branches of micro-biological products including Base Enzyme complexes and bio-agro products and their bio-products.
75. To establish, provide, maintain, conduct and to carry on business as manufacturers, exporters, importers, dealers and stockists, of various biological and biogenetic products like bio-insecticides bio-weedicides, bio-pesticides, bio-herbicides, their allied products and derivatives.
76. To carry on the business as manufacturers, processors of and dealers in insecticides, pesticides, alkalies, basic chemicals, bulk drugs, formulations, Bio-technology products, acids, essences, disinfectants, baby and/or invalid foodstuffs, inorganic or organic or mineral intermediates chemicals fine chemicals, laboratory chemicals of any nature and kind whatsoever, soaps, shampoos, surgical scrubs and washing materials, perfumes, toilet articles and cosmetics, compound oils, paints, pigments, bacteriological, physical, photographic, surgical, dental, optical, microscopic and scientific apparatus, instruments and material in field and marine glasses, products and articles which are capable of being used in connection with any of the foregoing.
77. To manufacture, buy, sell, exchange, alter, improve, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, receptacles, substances, materials, articles and things necessary or convenient for carrying on any of the business or processes of the Company usually dealt in by persons engaged in the business or process.

**AND IT IS HEREBY DECLARED THAT**

IV. The Liability of the members is limited.

\*\* Amended  
vide  
resolution  
passed on  
September  
.14, 2010.

V \*\* The Authorised Share Capital of the Company is Rs. 11,250,000,000/- (Rupees One Thousand One Hundred and Twenty Five Crores) divided into 250,000,000 (Twenty Five Crores) equity shares of Rs. 5/- (Rupees Five) each and 2,000,000,000 (Two Hundred Crores) preference shares of Rs. 5/- (Rupees Five) each.

The Company may increase or reduce the capital and divide the shares in the capital for the time being into several classes and attach there to respectively such preferential, deferred, qualified, or special rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

We, the several persons, whose names, addresses and descriptions are hereunder subscribed below, 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 to our respective names

Name, address, description and Occupation of Subscribers	No. of Equity shares taken by each subscriber	Signature of Subscriber	Signature, name, address, description and occupation of Witness.
<b>Habil F Khorakiwala</b> S/o. Fakhruddin Khorakiwala Om Ratan CHS, 70/71, Pochkhanwala Road, Worli, Mumbai 400 018 Industrialist	1 (One)	Sd/-	<p>Sd/- <b>Vijay Y Mhatre</b> S/O. Yashwant P Mhatre A/2, Navshajivan CHS Plot No. 58/59, Shivrushti Kurla (E) Mumbai 400 024  Service</p>
<b>Juzar S Khorakiwala</b> S/O. Saifuddin Khorakiwala 29, Clover Apts., Cuffe Parade, Colaba, Mumbai 400 005 Industrialist	1 (One)	Sd/-	
<b>Anil V kamath</b> S/O. Late Mundkur Vasudev Kamath 30, Sagar Tarang, 81/83, Bhulabhai Desai Road, Mumbai 400 036 Company Executive	1 (One)	Sd/-	
<b>V Gopalkrishnan</b> S/o. Mr. L Venkatesan 6/4, Amarjyoti Co-op Hsg. Society Naupada, Thane 400 602 Service	1 (One)	Sd/-	
<b>Vijaya B Nair</b> W/o K Balkrishna Nair B/302, Hitesh Apts., Himalaya Society Ghatkopar(West), Mumbai 400 084 Service	1 (One)	Sd/-	
<b>Vijay R Khetan</b> S/o. Ramvallabh Khetan 103, Indraprastha 2 A, Raheja Township, Malad (E), Mumbai 400 097 Service	1 (One)	Sd/-	
<b>Vardhan V Dharkar</b> S/o Vasant G Dharkar 3, Vatsalya, Gopalnagar, Dombivli (E) Service	1 (One)	Sd/-	
	7 (seven)		

Dated at Mumbai this 18th day of June, 1999

COMPANY LIMITED BY SHARES  
THE COMPANIES ACT, 1956

ARTICLES OF ASSOCIATION  
OF  
**WOCKHARDT LIMITED**



1. The regulations contained in Table 'F' in Schedule I to the Companies Act, 2013 ("Table 'F'"), as are applicable to a public company limited by shares, shall apply to the Company so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provision in these regulations. In case of any conflict between the provisions of these articles and Table 'F', the provisions of these articles shall prevail. Table "F" to apply save as varied
2. The following regulations viz. 20(a), 27, 48 and 76 of Table "F" in the said Schedule shall not apply to the Company. Regulations not applicable

#### Interpretation

3. In these regulations –
- a. "Act" means the Companies Act, 2013 and rules made thereunder or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.
  - b. "Articles" means these articles of association of the Company or as altered, from time to time.
  - c. "Board of Directors" or "Board", means the collective body of the directors of the Company.
  - d. "The Office" means the Registered Office for the time being of the Company;
  - e. "Month" means calendar month;
  - f. "In writing" or "written" means and includes words printed, lithographed, represented or reproduced in any mode in a visible form;
  - g. "Beneficial Owner" shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996;
  - h. "Depositories Act" means the Depositories

Act,1996 and shall include any statutory modification(s) or re-enactment thereof for the time being in force;

- i. "Depository" shall mean a Depository as defined in Section 2 of the Depositories Act,1996;
- j. "Shareholder(s)" or "Member(s)" means the duly registered holder(s), from time to time, of the Share(s) of the Company and includes the subscriber(s) to the Memorandum of the Company and also every person holding Equity Share(s) and/or Preference Share(s) of the Company as also one whose name is entered as the beneficial owner in the records of the Depository and;
- k. "Debentureholder(s)" or "Securityholder(s)" means the duly registered holders, from time to time, of the debenture(s) or securities of the Company;
- l. "Directors" means the Directors for the time being of the Company;
- m. "Independent Director" shall mean a Director who fulfils the requirements of Section 149(6) of the Act and who is appointed as an independent director in accordance with the provisions of the Act; and
- n. "Financial Year" means the period commencing on April 1 of a year and ending on March 31 of the next calendar year. '
- o. Words importing the singular number include the plural number and vice versa;

Words importing the masculine gender include the feminine gender

Words importing persons include corporations.

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

4. 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.
5. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, if the price of such shares is determined by the valuation report of a registered valuer and such issuance and allotment is approved by a special resolution of the shareholders of the company.
- 5A. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
- i. Equity share capital:
    - a. with voting rights; and / or
    - b. with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
  - ii. Preference share capital
6. i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month 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

Shares under control of Board

Directors may allot shares otherwise than cash

Kind of share capital

Issue of certificate

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.

One certificate for shares held jointly

7. 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.

Issue of new share certificate in place of one defaced, lost or destroy

ii. The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

8. 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.

9. i. The company may exercise the powers of paying commissions conferred by the Act, to any person in connection of the securities, provided that the

Power to pay commission in connection with securities issued

	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 rules made there under.	
	ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act, and rules made there under.	Rate of commission in accordance with the Rules
	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.	Mode of payment of commission
10.	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 the Act, 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, as prescribed under the Act.	Variation of the members right
	ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall <i>mutatis mutandis</i> 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.	Provisions as to general meetings to apply <i>mutatis mutandis</i> to each meeting
11.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	Issue of further shares not to affect rights of existing members
12	Subject to the provisions of the Act, 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.	Power to issue redeemable preference shares
13	i. The Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to:	Further issue of share capital

- a. persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
  - b. employees under any scheme of employees' stock option, subject to approval by the shareholders of the company by way of a special resolution; or
  - c. any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above, subject to approval by the shareholders of the company by way of a special resolution.
- ii. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules. Mode of further issue of shares
14. Subject to the provisions of the Act and other applicable provisions of law, the Company may with the approval of the shareholders by a special resolution in general meeting issue sweat equity shares in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf. Sweat equity shares
15. Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution. Terms of issue of debentures
16. Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture

issued or loans raised by the company:

- (a) To convert such debentures or loans into shares in the company; or
- (b) To subscribe for shares in the company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by the Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in General Meeting before the issue of the debentures or raising of the loans.

#### Lien

- 17 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:

Company's lien on shares

Lien to extend to dividends, etc.

Waiver of lien in case of registration

Provided that the Board of directors may at any time declare any share to be 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 dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares.
- iii. Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company' lien.

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| 18. | The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:   | As to enforcing lien by sale                 |
|     | 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 or otherwise.  |  |
| 19. | i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.   | Validity of sale                             |
|     | ii. The purchaser shall be registered as the holder of the shares comprised in any such transfer.   | Purchaser to be registered holder            |
|     | 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.   | Purchaser not affected                       |
| 20  | 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.   | Application of proceeds of sale              |
|     | 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.   | Payment of residual money                    |
| 21. | In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim. | Outsider's lien not to effect Company's lien |

22. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Provisions as to lien to apply *mutatis mutandis* to debentures, etc.

#### Certificates

23. Notwithstanding anything contained in Articles, the Directors of the Company may in their absolute discretion refuse sub-division of share certificates or debenture certificates into denominations of less than the marketable lots except where such sub-division is required to be made to comply with a statutory provision or an order of a competent court of law.

Right of Directors to refuse sub-division

24. Notwithstanding anything contained in Articles, if required, for a dematerialised share, debenture and other security shall be issued in the name of the Depository and all the provisions contained in Articles in respect of the rights of a member/debentureholder of the Company shall *mutatis mutandis* apply to the Depository as if it were a member / debentureholder / securityholder excepting that and notwithstanding that the Depository shall have been registered as the holder of a dematerialised share, debenture and other security, the person who is the beneficial owner of such shares, debentures and other securities shall be entitled to all the rights (other than those set out in Articles) available to the registered holders of the shares, debentures and other securities in the Company as set out in the other provisions of these Articles.

Issue of certificates, if required, in the case of dematerialised shares/debentures/ other securities and rights of beneficial owner of such shares/debentures/ other securities.

#### Dematerialization of Securities

25. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialised form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debentureholders/ other Securityholders with the details of members/ debentureholders/ other securityholders holding shares, debentures or other securities both in materialised and dematerialised form in any media as permitted by the Act.

Company entitled to dematerialise its shares, debentures and other securities

26. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.
- Option to hold shares in electronic or physical form
27. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.
- Beneficial owner deemed as absolute owner
28. In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.
- Shares, debentures and other securities held in electronic form
- Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act shall apply so far as applicable.
29. Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.
- Information about transfer of securities
30. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares
- Provisions to apply to shares in electronic form



held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

Provided that, nothing contained in Article 41 shall apply to the transfer of shares, debentures or other marketable securities effected by the transferor and the transferee, both of whom are entered as beneficial owners in the record of the Depository

#### Calls on shares

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| 31. | 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:   | Board may make calls                        |
|     | 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.   | Notice of call                              |
|     | iii. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.   | Board may extend time for payment           |
|     | iv. A call may be revoked or postponed at the discretion of the Board.  | Revocation or postponement of call          |
| 32. | A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.   | Call to take effect from date of resolution |
| 33. | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.   | Liability of joint holders of shares        |
|     | 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. | When interest on call payable               |
|     | ii. The Board shall be at liberty to waive payment of   | Board may waive interest                    |

any such interest wholly or in part.

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| 34. 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.  | Sums deemed to be calls                              |
| 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.  | Effect of non-payment of sums                        |
| 35. The Board: |   |  |
| i.             | 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  | Payment in anticipation of calls may carry interest  |
| ii.            | 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. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. |  |
| 36.            | All calls shall be made on a uniform basis on all shares falling under the same class.  | Calls on shares of same class to be on uniform basis |
| 37.            | Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.  | Partial payment not to preclude forfeiture           |

38. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Provisions as to calls to apply *mutatis mutandis* to debentures etc.

#### Transfer of shares

39. i. The instrument of transfer of any share in the company which is in physical form shall be executed by or on behalf of both the transferor and transferee.

Instrument of transfer to be executed by 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.

40. The Company shall not register a transfer of shares in, or debentures of the Company held in physical form unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificates relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures:

Transfer not to be registered except on production of instrument of transfer

Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost or where the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnity as the Board may think fit:

Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of law.

41. In case of shares held in physical form, the Board may, subject to the right of appeal conferred by the Act decline to register any transfer of shares on which the company has a lien.

Board may refuse to register transfer

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| 42. | A transfer of the shares or other interest in the Company of a deceased member thereof made by his legal representatives shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer.  | Transfer by legal representative                           |
| 43. | Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice.  |  |
|     | For the purpose of above clause notice to the transferee shall be deemed to have been duly given if it is dispatched by pre-paid registered post to the transferee at the address given in the instrument of transfer, and shall be deemed to have been duly delivered upon the expiry of 7 days from the date of dispatch.   |  |
| 44  | In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless: <ul style="list-style-type: none"> <li>i. the instrument of transfer is in the form as prescribed in rules made under the Act,</li> <li>ii. 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</li> <li>iii. the instrument of transfer is in respect of only one class of shares.</li> </ul> | Board may decline to recognize instrument of transfer      |
| 45  | If the Company refuses to register the transfer of any share pursuant to these Articles, it shall within thirty days from the date on which the instrument of transfer was delivered to the Company send notice of refusal to the transferee and transferor.  | Notice of refusal to be given to transferor and transferee |
| 46. | No transfer shall be made to a person of unsound mind. However, transfer of fully paid up shares can be made in the name of a minor if he is represented by his lawful guardian.  | No transfer to infant, etc.                                |
| 47. | All instruments of transfer shall be retained by the  | When transfers to be                                       |

Company, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

retained

48. The Company may, after giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situate, close the register of members or the register of debentureholders for any period or periods not exceeding in the whole forty-five days in each year, but not exceeding thirty days at any one time.

Power to close Register of Members or Debenture-holders

49. The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Provisions as to transfer of shares to apply *mutatis mutandis* to debentures, etc.

#### Transmission of shares

50. 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 sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

Title to shares on death of a member

- 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.

Estate of deceased member liable

51. 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-

Transmission Clause

- 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.

Board's right unaffected

52.	The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.	Indemnity to the Company
53.	<p>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.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>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.</p>	<p>Right to election of holder of share</p> <p>Manner of testifying election</p> <p>Limitations applicable to notice</p>
54.	<p>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:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>	Claimant to be entitled to same advantage
55.	The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to transmission to apply <i>mutatis mutandis</i> to debentures, etc.

#### Forfeiture of shares

56.	If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the	If call or instalment not paid notice must be given
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Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

57. The notice aforesaid shall:

Form of notice

- i. 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
- ii. 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.

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

In default of payment of shares to be forfeiture

59. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

Entry of forfeiture in register of members

60. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

Effect of forfeiture

61. i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

Forfeited shares may be sold, etc.

ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Cancellation of forfeiture

62.	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.	Member still liable to pay money owing at time of forfeiture
	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.	Cesser of liability
63.	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;	Certificate of forfeiture
	ii.	The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	iii.	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
	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.	Transferee not affected
64.		Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of the sales
65		Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of	Cancellation of share certificate in respect of forfeited shares



the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

66. The Board may, subject to the provisions of the Act, accept a surrender of the share certificate for any forfeited share from or by any member desirous of surrendering them on such terms as they think fit.

Surrender of share certificates

67. 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.

Sums deemed to be calls

68. The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

Provisions as to forfeiture of shares to apply *mutatis mutandis* to debentures, etc.

#### Alteration of capital

69. 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.

70. Subject to the provisions of the Act, the company may, by ordinary resolution:

Power to alter share capital

- i. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- ii. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- iii. sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- iv. 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.

71. Where shares are converted into stock-

Shares may be converted into stock

- i. 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.

- ii. 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.
- iii. 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.

Right of stockholders

72. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

Reduction of capital

- i. its share capital;
- ii. any capital redemption reserve account; or
- iii. any share premium account.

**Joint Holders**

73. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and

Joint-holders

other provisions contained in these Articles:

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| i. The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.   | Liability of joint-holders   |
| ii. On the death of any one or more of such jointholders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.  | Death of one or more joint holders                                 |
| iii. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.  | Receipt of one sufficient  |
| iv. Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.  | Delivery of certificate and giving of notice to first named holder |
| a. Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such jointholders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares. | Vote of joint-holders  |

b. Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.

Executors or administrator as joint holders

v. The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

Provisions as to joint holders as to shares to apply *mutatis mutandis* to debentures, etc.

#### Capitalisation of profits

74. i. The company in general meeting may, upon the recommendation of the Board, resolve-

Capitalisation

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-

Sum how applied

a. paying up any amounts for the time being unpaid on any shares held by such members respectively;

b. paying up in full, unissued shares 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.

75. i. Whenever such a resolution as aforesaid shall have been passed, the Board shall:

Powers of the Board for capitalisation

- a. make all appropriations and applications of the 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:

Board's power to issue fractional certificate/coupon etc.

- 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.

Agreement binding on members

#### **Buy-back of shares**

76. Notwithstanding anything contained in these articles but subject to the 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.

Buy-back of shares

77. The Company shall not give any financial assistance

Restrictions on purchase

for or in connection with the purchase or subscription of any shares in the Company or in its holding company, save as provided by the Act.

by company of its own shares

#### General meetings

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

Extraordinary general meeting

79. i. The Board may, whenever it thinks fit, call an extraordinary general meeting.

Powers of Board to call 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

80. 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.

Presence of Quorum

ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in the Act.

Quorum for general meeting

81. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

82. 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.

Chairperson of the meetings

83. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically choose one of their members to be Chairperson of the meeting.

Members to elect chairperson

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| 84. | The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.   | Power of Chairman  |
| 85. | On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.  | Casting vote of Chairperson at general meeting                             |
| 86. | <ul style="list-style-type: none"> <li>i. The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.</li> </ul> | Minutes of proceedings of meetings and resolutions passed by postal ballot |
|     | <ul style="list-style-type: none"> <li>ii. There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting:               <ul style="list-style-type: none"> <li>a. is, or could reasonably be regarded, as defamatory of any person; or</li> <li>b. is irrelevant or immaterial to the proceedings; or</li> <li>c. is detrimental to the interests of the Company.</li> </ul> </li> </ul>  | Certain matters not to included in the minutes books                       |
|     | <ul style="list-style-type: none"> <li>iii. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.</li> </ul>  | Minutes to be evidence   |

**Adjournment of meeting**

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| 87. | <ul style="list-style-type: none"> <li>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.</li> </ul> | Chairperson may adjourn the meeting |
|     | <ul style="list-style-type: none"> <li>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.</li> </ul>                                    | Business at adjourned meeting       |
|     | <ul style="list-style-type: none"> <li>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be</li> </ul>  | Notice of adjourned meeting         |

given as in the case of an original meeting.

- iv. Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Notice of adjourned meeting not required

#### Voting rights

- 88. Subject to any rights or restrictions for the time being attached to any class or classes of shares,-

Entitlement to vote on show of hands and on poll

- i. on a show of hands, every member present in person shall have one vote; and
- ii. 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.

- 89. Where a poll is to be taken, the Chairman of the meeting shall appoint such numbers of person(s), as he deems necessary to scrutinise the poll process and votes given on the poll and to report thereon to him;

Scrutineers at poll

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

Voting through electronic means

- 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.

Vote of joint-holders

- ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members/ beneficial owner.

Seniority of names

- 91. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.

How members *non compos mentis* and minor may vote

- 92. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if

Votes in respect of shares of deceased or insolvent members, etc.



he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

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| 93. | Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.  | Business may proceed pending poll |
| 94. | No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid or in regard to which the Company has exercised any right of lien.   | Restriction on voting rights      |
| 95. | <p>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.</p> <p>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p> | Validity of the Vote              |
| 96. | Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class   | Equal rights of members           |

#### Proxy

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| 97. | Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.   | Member may vote in person or otherwise |
| 98. | 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. | Proxies when to be deposited           |

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| 99.  | An instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act.   | Form of proxy  |
| 100. | 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: | Proxies to be valid notwithstanding death of the principal |

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

#### Board of Directors

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| 101. | Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).   | Board of directors   |
| 102. | The First Directors of the Company on its Incorporation were :-<br><br>1. Dr. Habil F Khorakiwala<br>2. Mr. Juzar S Khorakiwala<br>3. Dr. Gurukumar B Parulkar   | Names of Directors   |
| 103. | The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company, subject to section 203 of the Act. | Same individual may be Chairperson and Managing Director / Chief Executive Officer |
| 104. | The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.   | Remuneration of directors  |
| 105. | i. The remuneration payable to the directors, including any managing or whole-time director or manager shall be determined in accordance with and subject to the provisions of the Act.                  | Remuneration to require members' consent   |
|      | 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-                               | Travelling and other expenses  |

- 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.
  
- 106. The fees payable to the Director for attending the meeting of the Board or Committee thereof or a General Meeting shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the Act or the Rules.
  
- 107. The company may exercise the powers conferred on it by section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
  
- 108. 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. Execution of negotiable instruments
  
- 109. 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.
  
- 110.
  - i. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. Appointment of Additional director
  
  - 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. Duration of the office of the additional director
  
- 111. Subject to the provisions of the Act or any statutory modifications thereof, the Board of Directors shall have powers to appoint a person as alternate Director during the absence of Director, for a period Appointment of alternate director

of not less three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.

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| 112. | An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.   | Duration of office of alternate director  |
| 113. | If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.   | Re-appointment provisions applicable to Original Director   |
| 114. | i. If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board:<br><br>ii. The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated   | Appointment of director to fill casual vacancies<br><br>Duration of office of Director appointed to fill casual vacancies |
| 115  | Subject to provisions of the Act, whenever Company enters into any agreement/ arrangement/ contract with any Banks, Financial Institutions, Insurance Companies, Bodies Corporate, Government authorities, local bodies or any other person or persons for borrowing any sum of money or for availing loan or credit facilities or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any agreement/arrangement/contract whatsoever, the Directors shall have, subject to provisions of the Act, the power to agree that such Banks, Financial Institutions, Insurance Companies, Bodies corporate, Government Authorities, Local bodies or any other person shall have the right to appoint or nominate a person as a Director (s) (hereinafter referred to as a "nominee Director") on the Board by a notice in writing addressed to the Company on such conditions as may be mentioned in the Agreement/ Arrangement | Nominee Director  |

/Contract and that such Nominee Director(s) may not be liable to retire nor be required to hold any qualification shares. The Directors may also agree that any such Nominee Director(s) may be removed from time to time by Banks, Financials Institutions, Insurance Companies, Bodies Corporate, Government authorities, Local Bodies or any other person entitled to appoint or nominate them and such person or persons may appoint other or others in his or their place and also fill in any vacancy, which may occur as a result of any such Nominee Director (s) ceasing to hold that office for any reason whatever. The Nominee Director(s) shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoy by the directors of the Company including the payment of remuneration and traveling expenses to such Director or Directors as may be agreed by the Company with such person or persons aforesaid.

- iv. if it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director on the Board of the Company, then in the case of such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as "Debenture Director". Such Debenture Director May be removed from office at any time by the person or persons in whom the Power is vested and another Director may be appointed in his place. A Debenture Director shall not liable or need not hold any qualification shares.

Debenture Director

#### **Powers of Board**

116. (a) The Board of Directors shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do;

General powers of the Company vested in Board

Provided that the Board shall not exercise any power or do any act or thing, which is directly or required by the Act or any other provisions of the law or by the Memorandum of Association of the Company or by these Articles, to be exercised or done by the Company in the General Meeting.

Provided further that in exercising any such powers or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or any other provisions of law or the Memorandum of Association of the Company or these Articles or in any regulations not inconsistent therewith and duly made hereunder, including regulations made by the Company in General Meeting.

- (b) No regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

### **Borrowing Powers**

117. The Directors may, from time to time, at their discretion, raise or borrow, or secure the payment of, any sum or sums of money for the purposes of the Company; Provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time except with the consent of the Company by way of special resolution in general meeting exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set part for any specific purpose.

Power to borrow

118. The Directors, with shareholders' consent where required by the Act and Rules, may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Conditions on which money may be borrowed

### **Proceedings of the Board**

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

When meeting to be convened

ii. The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the

Who may summon Board meeting

Chairperson shall, at any time summon a meeting of the Board.

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| 120. | Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company or in electronic form.   | Notice of Meetings  |
| 121. | The quorum for a Board meeting shall be as provided in the Act.  | Quorum for Board meetings   |
| 122. | The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.  | Participation at Board meetings   |
| 123  | <ul style="list-style-type: none"> <li>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.</li> <li>ii. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</li> </ul>  | <p>Questions at Board meeting how decided</p> <p>Casting vote of Chairperson at Board meeting</p> |
| 124. | The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.                             | Directors not to act when number falls below minimum  |
| 125. | <ul style="list-style-type: none"> <li>i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</li> <li>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.</li> </ul> | <p>Who to preside at meetings of the Board</p> <p>Directors to elect a Chairperson</p>            |
| 126. | <ul style="list-style-type: none"> <li>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.</li> <li>ii. Any committee so formed shall, in the exercise</li> </ul>  | <p>Delegation of powers</p> <p>Committee to conform to</p>  |

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| <p>of the powers so delegated, conform to any regulations that may be imposed on it by the Board.</p>   | <p>Board regulations</p>  |
| <p>127. The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.</p>   | <p>Participation at Committee meetings</p>                                    |
| <p>128. i. A committee may elect a Chairperson of its meetings.<br/>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.</p>  | <p>Chairperson of Committee<br/>Who to preside at meetings of Committee</p>   |
| <p>129. i. A committee may meet and adjourn as it thinks fit.<br/>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.</p>  | <p>Committee to meet<br/>Questions at Committee meeting how decided</p>       |
| <p>130. 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.</p> | <p>Acts of Board or Committee valid notwithstanding defect of appointment</p> |
| <p>131. 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.</p>   | <p>Passing of resolution by circulation</p>                                   |

**Chief Executive Officer, Manager, Company Secretary, Whole Time Director or Chief Financial Officer**

132. Subject to the provisions of the Act,-



- i. A chief executive officer, manager, company secretary, Whole Time Director, or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary, Whole Time Director, 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.

Chief Executive Officer, etc.

Director may be chief executive officer, etc.

#### **Managing Director/ Whole-time Director**

133. The Board of Directors may from time to time and subject to the requisite approval of the Company in the General Meeting and where necessary also that of the Central Government under the provisions of the Companies Act, 2013, appoint a Managing Director, Whole Time Director, Technical Director, on such terms and conditions and for such period that it may consider proper.

Managing Director/ Whole-time Director

The Managing Director or Directors and the Joint Managing Director shall be responsible for carrying on and conducting the business of the Company subject to the supervision, directions and control of the Board of Directors. In the conduct and management of the said business, the Managing Director and the Joint Managing Director may exercise such powers, authorities and discretion, as may from time to time, be vested in them under an agreement or delegated to them by the Board of Directors.

## Registers

134. The Company shall keep and maintain at its registered office all statutory registers including, register of charges, register annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

Statutory registers

i. The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.

Foreign register

ii. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, *mutatis mutandis*, as is applicable to the register of members.

## The Seal

135. The Company shall have a Common Seal and the Directors shall provide for the safe custody thereof.

Seal

The Seal shall not be affixed to any instrument except:

i. by the authority of a Resolution of the Board of Directors or a Committee of the Board authorized in that behalf, and

ii. in the presence of at least two Directors or one Director and the Secretary of the Company; or such other person as the Board may appoint for the purpose, who shall sign every instrument to which the Seal is so affixed. Such signatures shall be conclusive evidence of the fact that the seal has been properly affixed.

### Dividends and Reserves

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| 136. | The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.   | Company in general meeting may declare dividends |
| 137. | Subject to the provisions of the Act, 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.  | Interim dividends                                |
| 138. | i. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit. | Dividends only to be paid out of profits         |
|      | ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.  | Carry forward of profits                         |
| 139. | 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.  | Division of profits                              |
|      | 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.  | Payments in advance                              |
|      | 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  | Dividends to be apportioned                      |

from a particular date such share shall rank for dividend accordingly.

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| 140. | The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the Company.  | No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom |
| 141. | The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.<br><br>i. Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.<br><br>ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. | Instrument of payment   |
| 142. | Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.  | Receipt of one holder sufficient  |
| 143. | 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.  | Notice of Dividend  |
| 144. | No dividend shall bear interest against the company.  | No Interest on Dividend   |

#### Accounts

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| 145. | The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules. | Inspection by Directors |
| 146. | 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.

Restriction on inspection by members

#### Winding up

147. Subject to the provisions of Chapter XX of the Act and rules made thereunder-

Winding up of Company

- i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### Indemnity and Insurance

148. Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the 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.

Directors and officers right to indemnity

149. The Company may take and maintain any insurance as the Board may think fit on behalf of its present

Insurance

and/ or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

#### **General Power**

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

General Power

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

Name, address, description and Occupation of Subscribers	No. of Equity shares taken by each subscriber	Signature of Subscriber	Signature, name, address, description and occupation of Witness.
<b>Habil F Khorakiwala</b> S/o. Fakhruddin Khorakiwala Om Ratan CHS, 70/71, Pochkhanwala Road, Worli, Mumbai 400 018 Industrialist	1 (One)	Sd/-	<p>Sd/- <b>Vijay Y Mhatre</b> S/O. Yashwant P Mhatre A/2, Navshajivan CHS Plot No. 58/59, Shivrushti Kurla (E) Mumbai 400 024</p> <p>Service</p>
<b>Juzar S Khorakiwala</b> S/O. Saifuddin Khorakiwala 29, Clover Apts., Cuffe Parade, Colaba, Mumbai 400 005 Industrialist	1 (One)	Sd/-	
<b>Anil V Kamath</b> S/O. Late Mundkur Vasudev Kamath 30, Sagar Tarang, 81/83, Bhulabhai Desai Road, Mumbai 400 036 Company Executive	1 (One)	Sd/-	
<b>V Gopalkrishnan</b> S/o. Mr. L Venkatesan 6/4, Amarjyoti Co-op Hsg. Society Naupada, Thane 400 602 Service	1 (One)	Sd/-	
<b>Vijaya B Nair</b> W/o K Balkrishna Nair B/302, Hitesh Apts., Himalaya Society Ghatkopar(West), Mumbai 400 084 Service	1 (One)	Sd/-	
<b>Vijay R Khetan</b> S/o. Ramvallabh Khetan 103, Indraprastha 2 A, Raheja Township, Malad (E), Mumbai 400 097 Service	1 (One)	Sd/-	
<b>Vardhan V Dharkar</b> S/o Vasant G Dharkar 3, Vatsalya, Gopainagar, Dombivli (E) Service	1 (One)	Sd/-	
	7 (seven)		

Dated at Mumbai this 18th day of June, 1999





IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 1038 OF 1999.  
CONNECTED WITH  
COMPANY APPLICATION NO. 483 OF 1999.

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

AND

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

AND

In the matter of Scheme of Arrangement  
between WOCKHARDT LIMITED and  
WOCKHARDT PHARMACEUTICALS LIMITED

WOCKHARDT PHARMACEUTICALS LIMITED, a Company incorporated )  
under the Companies Act, 1956 having its Registered Office at Readymoney )  
Terrace, 167, Dr. Annie Besant Road, Worli, Mumbai - 400 018. ) .....Petitioner.

Coram : S.S. Nijjar J.  
Date : 29th November, 1999.

UPON the Petition of WOCKHARDT PHARMACEUTICALS LIMITED, the Petitioner Company abovenamed, presented to this Honourable Court on the 4th day of October, 1999 for sanction of the Scheme of Arrangement between WOCKHARDT LIMITED, (hereinafter referred to as "Wockhardt" or "the Transferor Company") and WOCKHARDT PHARMACEUTICALS LIMITED (hereinafter referred to as "the Transferee Company" or "WPL" or "the Petitioner Company") AND for other consequential reliefs as mentioned in the Petition AND the Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. V.R. Khetan, the Company Secretary of the Petitioner Company solemnly affirmed on 4th of October, 1999 verifying the said Petition AND UPON READING affidavit of Shri Rajesh I. Shah dated 12th day of November, 1999 proving publication of the notice of the date of hearing of the Petition in the issue of "Free Press Journal" dated 21st day of October, 1999 and "Nayshakil" dated 21st day of October, 1999 and also proving service of notice of hearing of the Petition upon Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the Order dated 12th day of August, 1999 made by this Honourable Court in Company Application No. 483 of 1999 whereby the convening and holding of the meeting of the members/shareholders of the Transferee Company to consider and approve the proposed Arrangement embodied in the Scheme of Arrangement between the Wockhardt Limited, the Transferor Company with Wockhardt Pharmaceuticals Limited, the Transferee Company was dispensed with in view of the consent given by all the members/shareholders of the Transferee Company, which is annexed as Exhibit "E-1" to "E-7" to the affidavit in support of the Company Application No.483 of 1999 dated this 5th day of August, 1999 AND UPON HEARING Mr Rajesh Shah instructed by M/s Rajesh Shah & CO., Advocates for the Petitioner Company and Mr.G.Hariharan, Panel Counsel for Regional Director, Department of the Company affairs, Maharashtra, Mumbai who appears in pursuance of the notice herein dated 12th day of October, 1999 under Section 394 (A) of the Companies Act, 1956 and who submits that the Regional Director has raised certain objections to the Scheme of Arrangement by letter dated 22nd day of November 1999 and the counsel for the Petitioner submits that the objections mentioned in the aforesaid letter shall be removed and that the Petition may be made absolute conditionally AND no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Arrangement embodied in the Scheme of Arrangement of WOCKHARDT LIMITED, the Transferor Company with WOCKHARDT PHARMACEUTICALS LIMITED, the Transferee Company as set forth in Exhibit "D" to the said Petition and also in the Schedule hereto subject to the Company complying with the objections raised by the Regional Director in his letter dated 22nd day of November, 1999 AND THIS COURT DOTH HEREBY DECLARE THAT the said Scheme of Arrangement (being Exhibit "D" to the petition) and also in the Schedule annexed hereto be binding on the Transferor Company and the Transferee Company and also on their respective members/ shareholders and Creditors AND THIS COURT DOTH ORDER that with effect from opening of the business on the 1st day of January, 2000 (hereinafter called "the Appointed Date"), the Pharmaceutical Division of the Transferor Company including all their properties and movable assets of whatsoever nature such as licenses, lease, tenancy rights and all other rights, title, interest or powers of every kind nature and descriptions whatsoever subject to the charges affecting the same shall stand vested in the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT if the Directors of the Transferor Company and the Transferee Company so desire all the movable assets pertaining to the Pharmaceuticals Division of the Transferor Company shall vest in the Transferee Company

in the manner laid down in para 3.2 of the Scheme of Arrangement AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date, all the debts, liabilities, contingent liabilities, duties and obligations pertaining to the Pharmaceuticals Division of the Transferor Company as on the day prior to the Appointed Date (hereinafter referred to as "the said liabilities"), shall also, without any further act, instrument or deed be and stand vested in and/or deemed to be vested in the Transferee Company pursuant to the provisions of Section 391/394 of the Act so as to become as and from the Appointed date the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not to be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause AND THIS COURT DOTH FURTHER ORDER that with effect from the appointed date all profits or Income accruing or arising pertaining to the Pharmaceuticals Division of the Transferor Company or expenditure or losses arising or incurred by it, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be accrue as the profits or income or expenditure or losses of the Transferee Company, as the case may be and THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date, if any suit, appeal or other proceeding of whatever nature by or against the Pharmaceutical Division of the Transferor Company be pending, the same shall not abate or be discontinued, but the said Suit, Appeal or other legal proceedings may be continue prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made AND THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date the Arrangement between the Transferor Company and the Transferee Company will be made on the basis that the Transferee company shall issue and allot in its capital at par, credited as paid up to the extent indicated below, to the Members of the Transferor Company whose names appear in the Register of Members on date to be fixed by the Directors of the Transferor Company or to such of their respective heirs, executors, administrators or other legal representatives or other successor in title as may be recognised by the Board of Directors of the Transferor Company and approved by them to be placed on its register of members in the following proportion viz. Every equity shareholder of Wockhardt, whose name appears on the Register of Members on the Record Date, shall without any further act or deed be entitled to and be allotted Equity Shares of WPL in the proportion of 1(one) equity share of Rs 10/- each credited as fully paid up, for 1 (one) equity share held by him/her in Wockhardt, while such shareholder will also continue to hold his/her shares in Wockhardt and the allotment shall be deemed to have been made on the Appointed Date and the said equity shares in WPL to be issued to the members of Wockhardt shall be subject to the Memorandum and Articles of Association of WPL and shall rank pari passu in all respect with the existing equity shares in WPL and for 2 (two) preference shares held in Wockhardt on the Record Date, every preference shareholder shall be allotted 1 (one) preference share of WPL and pursuant to the issue of preference shares of WPL, one half of preference shares held by the existing preference shareholders in Wockhardt shall be deemed to be redeemed the terms and conditions of preference shares of WPL, so allotted, shall be similar, in all material respects, to the existing preference shares of Wockhardt and upon the coming into effect of this Scheme and issuance of shares by WPL pursuant to the provision of Clause 4.1.1, WPL shall ensure that Depository shall issue GDRs of WPL to the existing GDR holders of Wockhardt in an appropriate manner and WPL and the Depository shall enter into such further arrangements and execute such documents as may be necessary and appropriate in this behalf which shall contain all the detailed terms and conditions of such issue and the GDRs shall be deemed to have been issued on the Appointed Date and the GDRs of WPL to be issued to the existing GDR holders of Wockhardt would be similar in all material respects to the existing GDRs of Wockhardt and Secured Debentures of Wockhardt, which vest in WPL pursuant to the provisions of the Scheme, shall be deemed to be redeemed by Wockhardt and debentures so issued, by WPL, shall be subject to same terms and conditions at which they were issued by Wockhardt and the debentures of Wockhardt shall be deemed to be redeemed on the date immediately preceding the date of issue of Debentures by WPL AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days from the date of sealing of the said Order, cause a certified copy of the order sanctioning the Scheme of Arrangement to be delivered to the Registrar of Companies, Maharashtra, Mumbai, for registration and upon such certified copy of Order being so delivered, the Registrar of Companies, Maharashtra, Mumbai, shall place and transfer all the files relating to the Pharmaceuticals Division of Wockhardt as described in the Scheme and register with him on the file kept by him in relation to the Transferee Company and files of both the companies as described above shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the liberty is reserved to the Petitioner Company and all other persons interested in this petition to apply to this to apply to this Honorable Court herein as and when occasion arise for any direction that may be necessary in regard to the working of the Arrangement embodied in the Scheme of Arrangement herein sanctioned and set forth in the Schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do Pay a sum of Rs 1000/- (Rupees one thousand only) to the Regional Director, Department of Companies Affairs, Maharashtra State, Mumbai towards the costs of the Petition WITNESS SHRI YOGESH KUMAR SABHARWAL, the Chief Justice at Bombay aforesaid this 29th day of November 1999.

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

BY THE COURT

Sd/-  
FOR PROTHONOTARY AND SENIOR MASTER

Sd/-

SCHEDULE  
 SCHEME OF ARRANGEMENT  
 BETWEEN  
 WOCKHARDT LIMITED ('DEMERGED COMPANY')  
 AND  
 WOCKHARDT PHARMACEUTICALS LIMITED ('RESULTING COMPANY')  
 AND  
 THEIR RESPECTIVE SHAREHOLDERS

Under Section 391 to Section 394 of the Companies Act, 1956 and their respective shareholders in respect of the entire business of the Pharmaceutical Division of Wockhardt Limited.

This Scheme of Arrangement is presented for vesting of the Pharmaceutical Division of Wockhardt Limited having its registered office at Readymoney Terrace, 167 Dr Annie Besant Road, Worli, Mumbai 400 018 as a going concern to and in Wockhardt Pharmaceuticals Limited having its registered office at Readymoney Terrace, 167 Dr Annie Besant Road, Worli, Mumbai 400 018 pursuant to the relevant provisions of the Companies Act, 1956 (hereinafter referred to as "the Act").

1. PRELIMINARY

In this Scheme, unless repugnant to the context, the following expression shall have the following meaning:

- 1.1 "The Act" means the Companies Act, 1956.
- 1.2 "Wockhardt" means Wockhardt Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Readymoney Terrace, 167 Dr Annie Besant Road, Worli, Mumbai 400 018.
- 1.3 "WPL" means Wockhardt Pharmaceuticals Limited a Company incorporated under the Companies Act, 1956 having its registered office at Readymoney Terrace, 167 Dr Annie Besant Road, Worli, Mumbai 400 018.
- 1.4 "Pharmaceutical Division" means and includes:
- 1.4.1 All assets and liabilities of Wockhardt pertaining to the pharmaceuticals business including the R&D Centre.
- 1.4.2 Without prejudice to the generality of the sub-clause 1.4.1 above, the Pharmaceutical Division shall include Land and Building (as specified in Schedule A to the Scheme), Plant and Machinery Equipments, Furnitures, Fixtures, Vehicles, Stocks & Inventory appertaining to the Division and the other properties, real, corporeal or incorporeal, in possession or reversion, present and contingent, assets (whether tangible or intangible) of whatsoever nature appertaining to the Pharmaceutical Division, investments, lease and hire purchase contracts, right, powers, authorities, allotments, approvals, consents, letters of intent, industrial and other licenses, registrations, contracts, engagements, arrangements, rights, titles, interests benefits and advantages of any nature whatsoever and wheresoever situate of belonging to or in the ownership, power or possession and in the control of or vested in or granted in the favour of or enjoyed by Wockhardt appertaining to the Pharmaceutical Division, including but without being limited to all patents, trade marks, trade names and other industrial properties and rights of any nature whatsoever and licenses assignments, grants in respect thereof, privileges, liberties, easements, advantages, benefits, goodwill, quota, rights, permits, approvals, authorisation, right to use and avail of telephones, telexes, facsimile connections, and installations, utilities, electricity and electronic and all other services, of every kind, nature descriptions whatsoever, (including those installed at the property specified in the Schedule A to this Scheme ) reserves, provision, funds, benefit of all agreements, arrangements, deposits, advances, recoverables and receivables and all other rights, interests, claims and powers of every kind, nature and description of and arising to Wockhardt appertaining to the Pharmaceutical Division, cash and bank balances, all earnest moneys and/or deposits including Security deposits paid by Wockhardt in connection with or relating to that Pharmaceutical Division.
- 1.4.3 Investments in Wockhardt Europe Limited, a Wholly owned Subsidiary of Wockhardt, incorporated in Ireland.

- 1.4.4 Investments in Wockhardt Rhein Biopharm Limited, a 50:50 joint venture between Wockhardt and Rhein Biotech GmbH, Germany and the rights, title and interest of Wockhardt in the Shareholders Agreement dated January 22nd, 1996 between Wockhardt and Rhein Biotech GmbH, Germany.

**EXPLANATION -** For the purposes of this Scheme, it is clarified that liabilities pertaining to the pharmaceutical business include :

- a) the liabilities which arise out of the activities or operation of the Pharmaceutical Division;
- b) specific loans borrowing raised, incurred and utilised solely for the activities or operation of the pharmaceutical Division;
- c) liabilities (including debentures) other than those referred to in clauses (a) and (b) above, i.e. the amounts of general or multipurpose borrowings of Wockhardt, allocated to the pharmaceutical business in the same proportion in which the value of the assets (ignoring the revalued amount) transferred under this Scheme bear to the total value of the assets (ignoring the revalued amount) of Wockhardt immediately before giving effect to this Scheme.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the pharmaceutical business or whether it arises out of the activities or operations of Pharmaceutical Division shall be decided by mutual agreement between the Board of Directors of Wockhardt and WPL.

- 1.5 "R & D Centre" means Research and Development Centre of Wockhardt located at D/4, MIDC Industrial Area, Chikalthana, Aurangabad, Maharashtra.
- 1.6 "GDRs" means global depository receipts issued pursuant to the issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and other applicable law, and where relevant shall include the underlying equity shares.
- 1.7 "The Appointed Date" means January 1, 2000 or such other date as may be fixed by the High Court of judicature at Bombay.
- 1.8 "The Effective Date" means the date on which the certified copies of the order of High Court sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra or the Appointed Date whichever is later.
- 1.9 "Record Date" means the date to be fixed by the Board of Directors of Wockhardt and WPL for the purpose of issue of shares of WPL to the shareholders of Wockhardt.
- 1.10 "Scheme" or "the Scheme" means this Scheme of Arrangement in its present form or with any modification(s) made under Clause (9) of this Scheme.

## 2 SHARE CAPITAL

### 2.1 Wockhardt

The Share Capital of Wockhardt as on March 31, 1999 is as under :

		Amount in Rs Mn.
<b>Authorised Capital</b>		
10,00,00,000 Unclassified shares of Rs. 10 each		1000.00
<b>Issued</b>		
3,51,44,977 Equity shares of Rs 10 each	351.45	
5,80,00,000 Redeemable Cumulative Preference shares of Rs 10 each	580.00	931.45
<b>Subscribed and Paid up</b>		
3,50,61,652 Equity shares of Rs 10 each fully paid up	350.62	
5,80,00,000 Redeemable Cumulative Preference shares of Rs 10 each	580.00	930.62

2.2	WPL The Share Capital of WPL as July 9,1999 is as under:	Amount in Rs.
	Authorised Capital 2,50,000 Equity Shares of Rs 10 each	25,00,000
	Issued, Subscribed & Paid-Up Capital 7 Equity Shares of Rs 10 each	70

**VESTING OF PHARMACEUTICAL DIVISION OF WOCKHARDT IN WPL**

3.1 With effect from January 1,2000 being the 'Appointed Date :

the entire Pharmaceutical Division of Wockhardt shall be deemed to be held in trust for WPL and shall without any further act, instrument or deed be and the same shall stand vested in and/ or deemed to be vested in WPL as a going concern, free from all encumbrances, but subject to the subsisting charges, pursuant to the provisions of Section 391/394 and other relevant provisions of the Act.

3.2 The transfer of movable assets of the Pharmaceutical Division shall be effected as follows:

3.2.1 Within four months of the date of the Order of the Bombay High Court approving the Scheme :

i) All the movable assets of the Pharmaceutical Division of Wockhardt including plant and machinery, cash on hand shall be handed over by physical delivery to WPL alongwith such other documents as may be necessary to the end and intent that the property therein passes of WPL on such delivery.

ii) In respect of movable assets other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans recoverable in cash or in kind or value to be received, bank balances and deposits with Government, Semi Government, Local and other authorities, bodies and customers etc the following modus operandi shall be followed :

Wockhardt shall give notice in such form, as it may deem fit and proper to each party, debtor or depositor as the case may be, that pursuant to the High Court of the Bombay having sanctioned the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of WPL as the person entitled thereto to the end and intent that the right of Wockhardt to recover or realise the same stands extinguished. WPL shall also give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court of Bombay having sanctioned the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of WPL to recover or realise is in substitution of the right of Wockhardt.

3.2.2 The debts, liabilities, contingent liabilities, duties and obligations of Wockhardt appertaining to the Pharmaceutical Division as on the close of business on the day prior to the Appointed Date (hereinafter referred to as "the said liabilities"), shall also, without any further act, instrument or deed be and stand vested in and/or deemed to be vested in WPL pursuant to the provisions of Section 391/394 of the Act so as to become as and from the Appointed date the debts, liabilities, duties and obligations of WPL and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.

3.3 WPL may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the secured Creditors of Wockhardt or in favour of any other party to any contract or arrangement to which Wockhardt is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. WPL shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of Wockhardt and to implement or carry out all such formalities or compliance referred to above on the part of Wockhardt to be carried out or performed.

IT IS CLARIFIED THAT all debts, liabilities, duties and obligations of Wockhardt relating to the said Pharmaceutical Division as on the close of business on the day prior to the Appointed Date whether provided for or not in the Books of Accounts of Wockhardt and all other liabilities relating

to the Pharmaceutical Division which may accrue or arise after the Appointed Date but which relates to the period on or upto the day prior to the Appointed Date shall be the debts, liabilities, duties and obligations of WPL.

- 3.4 All legal or other proceedings pending on the Effective Date by or against Wockhardt and relating to the Pharmaceutical Division shall be continued and enforced by or against WPL.
- 3.5 Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Pharmaceutical Division to which Wockhardt is a party subsisting or having effect immediately before this Scheme becomes operative shall remain in full force and effect against or in favour of WPL and may be enforced as fully and effectually as if instead of Wockhardt, WPL had been a party thereto.
- 3.6 On the Scheme becoming effective :
- 3.6.1 All the employees of Wockhardt engaged in and for the business of the Pharmaceutical Division of Wockhardt on the Effective Date shall become the employees of WPL, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. WPL further agrees that for the purpose of payment of any retirement benefit /compensation, such immediate uninterrupted past services with Wockhardt shall also be taken into account. WPL undertakes to continue to abide by terms of agreement/settlement entered into by Wockhardt with employee's union/employee or associations of Wockhardt.
- 3.6.2 The accounts/funds of the employees whose services are transferred under Clause 3.6.1 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts/Funds of WPL and such employees shall be deemed to have become members of such Trusts/Funds of WPL. Until such time that WPL creates its own funds, WPL may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Pharmaceutical Division to the relevant funds of Wockhardt. Such contributions pertaining to the employees of the Pharmaceutical Division shall be transferred to the funds created by WPL on creation of relevant funds by WPL.

#### 4 ISSUE OF SHARES BY WPL

##### 4.1 Section "A"

- 4.1.1 Every equity shareholder of Wockhardt, whose name appears on the Register of Members on the Record Date, shall without any further act or deed be entitled to and be allotted Equity shares of WPL in the proportion of 1(one) equity share of Rs 10/- each credited as fully paid up, for 1 (one) equity share held by him/her shares in Wockhardt, while such shareholders will also continue to hold his/her shares in Wockhardt. The allotment shall be deemed to have been made on the Appointed Date.
- 4.1.2 The said equity shares in WPL to be issued to the members of Wockhardt shall be subject to the Memorandum and Articles of Association of WPL and shall rank pari passu in all respects with the existing equity shares in WPL.
- 4.1.3 WPL will apply to Mumbai, Ahmedabad and National Stock Exchange for listing of its equity shares which will be allotted in pursuance of this Scheme.
- 4.1.4 WPL shall increase its Authorised Share Capital to facilitate allotment of its shares to the shareholders of Wockhardt, as provided in Clause 4.1.1 of this Scheme.
- 4.1.5 Equity shares to be issued by WPL, pursuant to Clause 4.1.1, in respect of equity shares of Wockhardt which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall pending allotment also be kept in abeyance.
- 4.1.6 For 2 (two) preference shares held in Wockhardt on the Record Date, every preference shareholder shall be allotted 1 (one) preference shares of WPL. Pursuant to the issue of preference shares of WPL, one half of preference shares held by the existing preference shareholders in Wockhardt shall be deemed to be redeemed. The terms and conditions of preference shares of WPL, so allotted, shall be similar, in all material respects, to the existing preference shares of Wockhardt.

- 4.2 Section "B"
- 4.2.1 Upon the coming into effect of this Scheme and the issuance of shares by WPL pursuant to the provisions of Clause 4.1.1, WPL shall ensure that the Depository shall issue GDRs of WPL to the existing GDR holders of Wockhardt in an appropriate manner. WPL and the Depository shall enter into such further agreements and execute such documents as may be necessary and appropriate in this behalf which shall contain all the detailed terms and conditions of such issue. The GDRs shall be deemed to have been issued on the Appointed Date.
- 4.2.2 WPL shall take all such additional steps and do all such acts as may be necessary for the issue of GDRs pursuant to the Clause 4.2.1 and for the listing of these GDRs on the Luxembourg Stock Exchange.
- 4.2.3 The GDRs of WPL to be issued to the existing GDR holders of Wockhardt would be similar in all material respects to the existing GDRs of Wockhardt.
- 4.3 The issue and allotment of shares and GDRs pursuant to the provisions of this Scheme to the non resident shareholders will be subject to the approval of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 and shall be on such terms and be in such manner as the Reserve Bank of India may impose/direct provided that approval of the Ministry of Finance has been received for the issue of GDRs
- 5 ISSUE OF DEBENTURES BY WPL**  
Secured Debentures of Wockhardt, which vest in WPL pursuant to the provisions of the Scheme, shall be deemed to be redeemed by Wockhardt and debentures of an equivalent amount shall be issued by WPL. The debentures so issued, by WPL, shall be subject to same terms and conditions at which they were issued by Wockhardt. The debentures of Wockhardt shall be deemed to be redeemed on the date immediately preceding the date of issue of Debentures by WPL.
- 6 CHANGE OF NAME**  
On the Effective Date, the name of WPL shall stand changed to "Wockhardt Limited" or any other name as may be approved by the Registrar of Companies and acceptable to Wockhardt. The name of Wockhardt shall be changed to "Wockhardt Life Sciences Limited" or any other name as may be approved by the Court/Registrar of Companies.
- 7 ACCOUNTING TREATMENT**
- WPL shall record the assets and liabilities of the Pharmaceutical Division of Wockhardt vested in WPL pursuant to the Scheme, at their book values as appearing in the books of Wockhardt at the close of business on the day prior to the Appointed Date.
  - WPL shall credit in its books of accounts, the face value of the shares issued to the shareholders of Wockhardt pursuant to the Scheme, to the Share Capital Account.
  - The excess, if any, of the value of the assets over the value of liabilities recorded by WPL in its books upon vesting of the Pharmaceutical Division pursuant to this Scheme and after adjusting for the face value of shares issued and allotted by WPL, shall be credited to the General Reserve account in the books of WPL.
  - The deficit, if any, in the value of assets over the value of liabilities recorded by WPL in its books upon vesting of the Pharmaceutical Division pursuant to this Scheme and after adjusting for the face value of shares issued and allotted by WPL, shall be debited to the Goodwill account in the books of WPL.
  - The difference between the value of assets over the value of liabilities, upon vesting of the Pharmaceutical Division in WPL, pursuant to this Scheme, shall be charged to the General Reserve account of Wockhardt.
- 8 APPLICATION TO HIGH COURT**  
Wockhardt and WPL shall with all reasonable dispatch make applications under Section 391 and 394 and other applicable provisions of the Act to the High Court of Judicature at Bombay for seeking approval of the Scheme.
- 9 MODIFICATIONS / AMENDMENTS TO THE SCHEME**  
Wockhardt and WPL by their respective Board of Directors may make and/or consent to any modifications / amendments to the Scheme or to any conditions or limitations that the court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). Wockhardt and WPL by their respective Board of Directors shall be authorised to take all such steps

as may be necessary, desirable or proper to resolve any doubts difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

#### 10 SCHEME CONDITIONAL ON APPROVAL/SANCTIONS

The Scheme is conditional on and subject to:

- a) Approval of and agreement to the Scheme by the requisite majority of the respective members of and such class of persons of Wockhardt and WPL as may be directed by the High Court of Judicature at Bombay;
- b) Sanctions and Orders under the provisions of Section 391 read with Section 394 of the Act being obtained by Wockhardt and WPL from the High Court of Judicature at Bombay.
- c) The approval of the Ministry of Finance and/or Reserve Bank of India under the Foreign Exchange Regulation Act, 1973 being obtained in relation to various matters referred to in terms of this Scheme for which such approval is necessary
- d) All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

#### 11 EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

In the event any of the approvals or conditions enumerated in Clause (10) above not being obtained or compiled, or for any other reason, the Scheme cannot be implemented, the Board of Directors of Wockhardt and WPL shall mutually waive such conditions as they consider appropriate to give effect, as far as possible to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the High Court of Judicature at Bombay, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

#### 12 COSTS

The costs, charges and expenses in connection with the Scheme except stamp duty, if any, on the vesting of assets in WPL shall be borne by Wockhardt.

#### SCHEDULE 'A' TO THE SCHEME

1. All leasehold rights, interests in the land situated at L-1, MIDC Area, Chikalthana, Aurangabad - 431 210, Maharashtra area admeasuring approximately 24,000 sq. mtrs / yards or thereabout.
2. All leasehold rights, interests in the premises situated at 87-A, Silver Industrial Estate, Patalia Road, Bhimpore, Nani Daman - 396 210 area, admeasuring approximately 1,150 sq.mtrs / yards or thereabout.
3. All leasehold rights, interests in the land situated at Plot No. 138, GIDC Estate, Ankleshwar - 393 002, Dist. Bharuch, Gujarat area admeasuring approximately 56,653 sq.mtrs / yards or thereabout.
4. All leasehold rights, interest in the land situated at D/4, MIDC Industrial Area, Chikalthana, Aurangabad, Maharashtra area admeasuring approximately 39,940 sq.mtrs / yards or thereabout.
5. All factory and administration buildings, tenements area admeasuring approximately 11,292 sq. mtrs and standing on leasehold land situated at L-1, MIDC Area, Chikalthana, Aurangabad - 431 210, Maharashtra.
6. All factory and administration buildings, tenements area admeasuring approximately 27275 sq. mtrs and standing on leasehold land situated at Plot no 138, GIDC Estate, Ankleshwar - 393 002, Dist Bharuch, Gujarat.
7. All premises buildings, tenements area admeasuring approximately 7423 sq. mtrs and standing on leasehold land situated at D/4, MIDC Industrial Area, Chikalthana, Aurangabad, Maharashtra.

CERTIFIED TO BE A TRUE COPY  
This 15th day of February, 2000

Sd/  
For Protonotary and Senior Master



IN THE HIGH COURT OF JUDICATURE  
AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 1038 OF 1999.  
CONNECTED WITH  
COMPANY APPLICATION NO. 483 OF 1999.  
In the matter of the Companies  
Act. 1956 (I of 1956):

AND

In the matter of Section 391 and  
394 of the companies Act 1956;

And

In the matter of Scheme of Arrangement  
between WOCKHARDT LIMITED and WOCKHARDT  
PHARMACEUTICAL LIMITED.

WOCKHARDT PHARMACEUTICAL LIMITED. ... Petitioner

CERTIFIED COPY OF  
ORDER SANCTIONS THE SCHEME  
OF ARRANGEMENT

Dated this 29th day of November, 1999  
Filed this 8th day of December, 1999

M/S RAJESH SHAH & CO.  
Advocates for the Petitioner.

104, Bajar Bhavan,  
Nariman Point,  
Bombay - 400 021.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 1218 OF 1999.  
CONNECTED WITH  
COMPANY APPLICATION NO.713 OF 1999.

In the matter of of the Companies  
Act, 1956 (1 of 1956);  
AND

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

In the matter of Scheme of Amalgamation  
between WOCKHARDT VETERINARY LIMITED and WOCKHARDT LIMITED.

WOCKHARDT VETERINARY LIMITED, a Company  
Company incorporated under the Companies  
Act, 1956 having its Registered Office at  
Readymoney Terrace, 167, Dr. Annie Besant  
Road, Worli, Mumbai 400 018.

)  
)  
)  
)  
).....Petitioner.

Coram : S.S. Nijjar J.

Date : 31st January, 2000.

UPON the Petition of WOCKHARDT VETERINARY LIMITED, the Petitioner Company abovenamed, presented to this Honourable Court on the 1st day of December, 1999 for sanction of the Scheme of Amalgamation between WOCKHARDT VETERINARY LIMITED, (hereinafter referred to as "WVL" or "The Transferor Company" or "the Petitioner Company") and WOCKHARDT LIMITED (hereinafter referred to as "The Transferee Company" or "WL") AND for other consequential reliefs as mentioned in the Petition AND the said Petition being this day called out for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. Tushar Mistry, the Company Secretary of the Petitioner Company solemnly affirmed on 1st day of December, 1999 verifying the said Petition AND UPON READING affidavit of Shri Rajesh I. Shah dated 17th day of January, 2000 proving publication of the notice of the date of hearing of the Petition in the issue of "Free Press Journal" dated 1st day of January, 2000 and "Navshakti" dated 1st day of January, 2000 and also proving despatch of notice of hearing of the Petition to the Creditors of the Petitioner Company and also proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai and the Official Liquidator, High Court, Bombay AND UPON READING the Order dated 29th day of November, 1999 made by this Honourable Court in Company Application No. 713 of 1999 whereby the convening and holding of the meeting of the members/shareholders of the Transferor Company to consider and approve the proposed Arrangement embodied in the Scheme of Amalgamation between the Wockhardt Veterinary Limited, the Transferor Company, with Wockhardt Limited; the Transferee Company was dispensed with in view of the consent given by all the members/shareholders of the Transferor Company, which is annexed as Exhibit "E-1" to "E-2" to the affidavit in support of the Company Application No. 713 of 1999 dated this 24th day of November, 1999 and the convening and holding of the meeting of the Secured and Unsecured Creditors of the Transferor Company to consider and approve the proposed Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company is dispensed with in view of the averments made in para (15) of the affidavit in support of the Company Application No. 713 of 1999 AND UPON READING the Report of the Official Liquidator, High Court, Bombay Report dated 28th day of January, 2000 wherein he has opined that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its members or to public interest AND UPON HEARING Mr. Rajesh I. Shah instructed by M/S RAJESH SHAH & CO., Advocates for the Petitioner Company and Mr. V. D. Samant S.T.A. from Office of the Regional Director, Department of Company affair, Maharashtra, Mumbai, who appears in pursuance of the notice herein dated 13th day of December, 1999 under Section 394 (A) of the Companies Act, 1956 and submits to the Order of the Court and Mr. S.C. Gupta, the Deputy Official Liquidator, High Court, Bombay, who appears in pursuance of the Notice herein dated 13th day of December, 1999 under Section 394 (1) of the Companies Act, 1956 and submits to the Order of the court and no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Arrangement embodied in the Scheme of Amalgamation of WOCKHARDT VETERINARY LIMITED, the Transferor Company with WOCKHARDT LIMITED, the Transferee Company as set forth in Exhibit "D" to the said Petition and also in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE THAT the said Scheme of Amalgamation shall be binding on the Transferor Company and the Transferee Company and also on their respective members/shareholders and Creditors AND THIS COURT DOTH ORDER that with effect from the 2nd day of January, 2000 (hereinafter called "the Appointed Date"), the undertaking of the Transferor Company shall, without any further act, instrument or deed be and the same shall stand vested in and/or deemed to be vested in the Transferee Company so as to become an Undertaking of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date, if the Directors of the Transferor Company and the transferee Company so desire, all the movable assets of the Petitioner Company shall not vest in the Transferee Company but the same shall vest in the Transferee Company in the manner laid down in Clause 2 of the Scheme of Amalgamation annexed as Schedule hereto AND THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date, all the debts, liabilities, contingent liabilities, duties and obligation of the Transferor Company as

appearing in its books on the close of the business on the day prior to the Appointed Date (hereinafter referred to as "the said liabilities"), shall also, without any further act, instrument or deed be and stand vested in and/or deemed to be vested in the Transferee Company pursuant to the provisions of Section 391/394 of the Companies Act, 1956 so as to become as and from the Appointed date the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause AND THIS COURT DOTH FURTHER ORDER that with effect from the appointed date all profits or income accruing or arising of the Transferor Company or expenditure or losses arising or incurred by it, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be and accrue as the profits or income or expenditure or losses of the Transferee Company, as the case may be AND THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date, if any suit, appeal or other proceeding of whatever nature by or against the Transferor Company be pending, the same shall not abate or be discontinued or be any way prejudicially affected by reason of the Amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made AND THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date the Arrangement embodied in the Scheme of Amalgamation between the Transferor Company and the Transferee Company will be made on the basis that the Transferee Company shall issue and allot in its capital at par, credited as paid up to the extent indicated below, to the Members of the Transferor Company whose name appear in the Register of Members on date to be fixed by the Directors of the Transferor Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of Directors of the Transferee Company and approved by them to be Placed on its register of the members in the following proportion viz. Every Equity Shareholder of the Transferor Company, whose name appears on the Register of Members on the Record Date, shall without any further act or deed be entitled to and be allotted Equity Shares of the Transferee Company in the proportion of 1 (one) equity share of Rs. 10/- each credited as fully paid up, for 4 (four) equity share held by him/her in the Transferor Company and the said equity shares in Transferee Company to be issued to the members of the Transferor Company shall be subject to the Memorandum and Articles of Association of Transferee Company and shall rank pari passu in all respect with the existing equity shares in the Transferee Company and the Transferee company shall, if necessary increase its authorised share capital to facilitate allotment of equity shares to the shareholders of the Transferor Company AND THIS COURT DOTH FURTHER ORDER that on the Scheme being effective, the Transferor Company shall stand dissolved without being wound up AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days from the date of sealing of the said order, cause a certified copy of the order sanctioning the scheme of Amalgamation to be delivered to the Registrar of Companies, Maharashtra, Mumbai, for registration and upon such certified copy of Order being so delivered, the Transferor Company shall stand dissolved without winding up And the Registrar of Companies Maharashtra, Mumbai shall place and transfer all the files relating to the Transferor Company as described in the Scheme and register with him on the file kept by him in relation to the Transferee Company and files of both the companies as described above shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the liberty is reserved to the Petitioner Company and all other persons interested in this petition to apply to this Honourable Court herein as and when occasion arise for any direction that may be necessary in regard to the working of the Arrangement embodied in the Scheme of Amalgamation sanctioned herein and set forth in the Schedule hereto AND THIS COURT DOTH LASTLY ORDER that the petitioner Company do pay a sum of Rs. 1000/- (Rupees One Thousand Only) to the Regional Director, Department of Company Affairs, Maharashtra State, Mumbai and a sum of Rs. 1000/- (Rupees One Thousand Only) to the Official Liquidator, High Court, Bombay towards the costs of the Petition WITNESS SHRI MANOHAR BANSIJI GHODESWAR the Honourable acting Chief Justice at Bombay aforesaid this 31st day of January, 2000.

BY THE COURT

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

Sd/-  
FOR PROTHOROTMY AND SENIOR MASTER

Sd/-  
This 27th day of March, 2000

## SCHEDULE

### SCHEME OF AMALGAMATION OF WOCKHARDT VETERINARY LIMITED WITH WOCKHARDT LIMITED

This Scheme of Amalgamation is presented under Section 391 read with Section 394 of the Companies Act, 1956 for the amalgamation of Wockhardt Veterinary Limited with Wockhardt Limited, which would include the Pharmaceuticals Business of Wockhardt Limited ("Wockhardt") proposed to be vested in it under a Scheme of Arrangement filed with the Bombay High Court (described in para II of this Scheme).

#### I. PRELIMINARY

In this Scheme, unless repugnant to the context, the following expression shall have the following meaning:

1. "Act" means the Companies Act, 1956.
2. "WVL" means Wockhardt Veterinary Limited, a Company incorporated under the Companies Act, 1956 having its registered office at Readymoney Terrace, 167 Dr Annie Besant Road, Worli, Mumbai 400 018.
3. "WL" means Wockhardt Limited ( " the Transferee Company " ) whether known as such or by any other name, a company incorporated under the Companies Act, 1956 having its registered office at Readymoney Terrace , 167 Dr Annie Besant Road, Worli Mumbai 400 018 and would include the Pharmaceuticals business of Wockhardt proposed to be vested in it under a Scheme of Arrangement filed with the Bombay High Court (described in Para II of this Scheme).
4. "Undertaking" means the entire running business of WVL and shall include:
  - 4.1 All assets and properties of WVL.
  - 4.2 All the debts, liabilities, duties and obligations of WVL.
  - 4.3 Without prejudice to the generality of Sub-clause 4.1 and 4.2 above, the undertaking of WVL shall include all moveable and immovable assets and properties, real corporeal and incorporeal, in possession or reversion, present and contingent, all other assets (whether tangible or intangible) of whatsoever nature, investments, lease and hire purchase contracts, rights, powers, authorities, allotments, approvals, consents, letter of intent, industrial and other license, registration, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of any nature whatsoever and wheresoever situate of, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by WVL, including but without being limited to all patents, patent rights applications, trade marks, trade names, copyrights and other industrial properties and rights of any nature whatsoever and licenses assignments, grants in respect thereof, privileges, liberties, easements, contract advantages, benefits, goodwill, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile and other communication facilities, connections, equipments and installations, utilities, electricity and electronic and all other services of every kind, nature and descriptions whatsoever, reserves, provisions, funds, benefit of all agreements, arrangements deposits, advances, recoverables and receivables whether from government, semi-government, local authorities or any other customers etc. and all other rights, interest, claims and power of every kind, nature and description of and arising to WVL, cash and bank balances, all earnest moneys and/or deposit including security deposits paid by WVL .
5. "Appointed Date" means January 2, 2000 or such other date as may be fixed by the High Court of judicature at Bombay.
6. "Effective Date" means the date on which certified copies of the order of High Court of Bombay sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra or the Appointed Date, whichever is later.
7. "Record Date" means the date to be fixed by the Board of Directors of WL for the purpose of issue of shares of WL to the shareholders of WVL.
8. "Scheme" or "The Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause V of this Scheme.

II.

**BACKGROUND**

**Share Capital**

The Share Capital of WVL as on November 22, 1999 is as under:

Amount in Rs. Mn.

Authorised Capital 50,00,000 Unclassified shares of Rs. 10 each	50.00
Issued, Subscribed and Paid up 48,00,000 equity shares of Rs. 10 each fully paid up	48.00

The Share Capital of WL as on November 22, 1999 is as under:

Amount in Rs.

Authorised Capital 2,50,000 Equity Shares of Rs 10 each	25,00,000.00
Issued, Subscribed and Paid up 7 Equity Shares of Rs 10 each	70.00

**Scheme of Arrangement Pending Approval-Features and Impact**

1. Wockhardt has filed a Scheme of Arrangement (hereinafter referred to as the "Demerger Scheme") for demerger of its , the Pharmaceutical Division to WL with the Bombay High Court.
2. For the purpose of Demerger Scheme, the "Pharmaceuticals Division" has been defined to mean and include:
  - 1.4.1 All assets and liabilities of Wockhardt pertaining to the pharmaceutical business including the R&D Centre.
  - 1.4.2 Without prejudice to the generality of the sub-clause 1.4.1 above, the Pharmaceutical Division shall include Land and Building (as specified in Schedule A to the Scheme), Plant and Machinery, Equipment, Furnitures, Fixtures, Vehicles, Stocks & Inventory appertaining to the Division and the other properties, real, corporeal or incorporeal, in possession or reversion, present and contingent, assets (whether tangible or intangible) of whatsoever nature appertaining to the Pharmaceutical Division, investment, lease and hire purchase contracts, rights, power, authorities, allotments, approvals, consents, letters of intent, industrial and other licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits, advantages of any nature whatsoever and wheresoever situate of, belonging to or in the ownership, power of possession and in the control of or vested in or granted in favour of or enjoyed by Wockhardt appertaining to the Pharmaceutical Division, including but without being limited to all patents, trade marks, trade names and other industrial properties and rights of any nature whatsoever and licenses assignments, grants in respect thereof privileges, liberties, easements, advantages, benefits, goodwill quota rights, permits, approvals, authorisation, right to use and avail of telephones, telexes, facsimile connections, and installations, utilities, electricity and electronic and all other services, of every kind, nature and description whatsoever, (including those installed at the property specified in Schedule A to the Scheme) reserves, provisions, funds, benefit to all agreements, arrangements, deposits, advances, recoverables and receivables and all other rights, interests, claims and powers of every kind, nature and description of and arising to Wockhardt appertaining to the Pharmaceutical Division, cash and bank balances, all earnest moneys and/or deposits including Security deposit paid by Wockhardt in connection with or relating to the Pharmaceutical Division.
  - 1.4.3 Investments in Wockhardt Europe Limited, a wholly owned subsidiary of Wockhardt, incorporated in Ireland.
  - 1.4.4 Investments in Wockhardt Rhein Biopharm Limited, a 50:50 joint venture between Wockhardt and Rhein Biotech GmbH, Germany and the rights, title and interest of Wockhardt in the Shareholders Agreement dated January 22, 1996 between Wockhardt and Rhein Biotech GmbH, Germany.

**EXPLANATION -** For the purpose of Demerger Scheme, it is clarified that liabilities pertaining to the pharmaceutical business include:

- a) the liabilities which arise out of the activities or operations of the Pharmaceutical Division;
- b) specific loans and borrowings raised, incurred and utilised solely for the activities or operations of the pharmaceutical Division;

- c) liabilities (including debentures) other than those referred to in clauses (a) and (b) above, i.e. the amounts of general or multipurpose borrowings of Wockhardt, allocated to the pharmaceutical business in the same proportion in which the value of the assets (ignoring the revalued amount) transferred under this Scheme bear to the total value of the assets (ignoring the revalued amount) of Wockhardt immediately before giving effect to this Scheme.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the pharmaceutical business or whether it arises out of the activities or operations of Pharmaceutical Division shall be decided by mutual agreement between the Board of Directors of Wockhardt and WL\*.

3. The salient features of the Demerger Scheme are as under:

- 3.1 Every equity shareholder of Wockhardt, whose name appears on the Register of Members on the Record Date, shall without any further act or deed be entitled to and be allotted Equity Shares of WL in the proportion of 1 (one) equity share of Rs 10/- each credited as fully paid up, for 1(one) equity share held by him/her in Wockhardt, while such shareholder will also continue to hold his/her shares in Wockhardt. The allotment shall be deemed to have been made on the Appointed Date.
- 3.2 For 2 (two) preference shares held in Wockhardt on the Record Date, every preference shareholder shall be allotted 1 (one) preference share of WL Pursuant to the issue of preference shares of WL, one half of preference shares held by the existing preference shareholders in Wockhardt shall be deemed to be redeemed. The terms and conditions of preference shares of WL, so allotted, shall be similar, in all material respects, to the existing preference shares of Wockhardt.
- 3.3 Upon the coming into effect of the Scheme and the issuance of shares by WL, WL shall ensure that the Depository shall issue GDRs of WL to the existing GDR holders of Wockhardt in an appropriate manner. WL and the Depository shall enter into such further agreements and execute such documents as may be necessary and appropriate in this behalf which shall contain all the detailed terms and conditions of such issue. The GDRs shall be deemed to have been issued on the Appointed Date.
- 3.4 Secured Debentures of Wockhardt, which vest in WL pursuant to the provisions of the Scheme, shall be deemed to be redeemed by Wockhardt and debentures of an equivalent amount shall be issued by WL. The debentures so issued, by WL, shall be subject to same terms and conditions at which they were issued by Wockhardt. The debentures of Wockhardt shall be deemed to be redeemed on the date immediately preceding the date of issue of Debentures by WL.
- 3.5 On the Effective Date, the name of WL shall stand changed to "Wockhardt Limited" or any other name as may be approved by the Registrar of Companies and acceptable to Wockhardt. The name of Wockhardt shall be changed to "Wockhardt Life Sciences Limited" or any other name as may be approved by the Court/Registrar of Companies.
- 3.6 WL shall record the assets and liabilities of the pharmaceutical Division of Wockhardt vested in WL pursuant to the Scheme, at their book values as appearing in the books of Wockhardt at the close of business on the day prior to the Appointed Date.
- 3.7 WL shall credit in its books of accounts, face value of the shares issued to the shareholders of Wockhardt pursuant to the Scheme, to the Share Capital Account.
- 3.8 The excess, if any, of the value of the assets over the value of liabilities recorded by WL in its books upon vesting of the Pharmaceutical Division pursuant to the Scheme and after adjusting for the face value of shares issued and allotted by WL, shall be credited to the General Reserve account in the books of WL.
- 3.9 The deficit, if any, in the value of assets over the value of liabilities recorded by WL in its books upon vesting of the pharmaceutical Division pursuant to the Scheme and after adjusting for the face value of shares issued and allotted by WL, shall be debited to the Goodwill account in the books of WL.
- 3.10 The costs, charges and expenses in connection with the Scheme except stamp duty, if any, on the vesting of assets in WL shall be borne by Wockhardt.

4. Upon the Demerger Scheme becoming effective, the share capital of WL would increase by Rs. 350.62 million. This Scheme is conditional upon the Demerger Scheme becoming effective and provides for the amalgamation of WVL with WL as it would be after such demerger.

### III. PRESENT SCHEME – MERGER OF WVW WITH WL

#### *Vesting of Undertaking:*

1. With effect from the Appointed Date, the undertaking of WVW shall, under the provision of Sections 391 and 394 of the Act and pursuant to the order of Bombay High Court sanctioning this Scheme, without any further act, instrument or deed be and the same shall stand vested in and/or deemed to be vested in WL so as to become the Undertaking of WL. However if the Directors of WVW and WL so desire, all the movable assets of WVW shall not vest in WL by virtue of the order of the High Court but the same shall vest in WL in the manner laid down in Clause 2 hereinbelow.

#### *Vesting of Movable Properties*

2. The mode of vesting of movable assets referred in Clause 1 above is as under:

- 2.1 All the movable assets of WVW including plant and machinery, cash on hand, etc. shall be physically handed over by manual delivery to WL to the end and intent that the property therein passes to WL on such delivery.
- 2.2 In respect of movable assets, other than those specified in sub-clause 2.1 above, including sundry debtors, outstanding loans, recoverable in cash or in kind or value to be received, bank balances and deposits with Government, Semi Government, local and other authorities, bodies and customers etc., the following modus operandi shall be followed:

WVW shall give notice in such form as it may deem fit and proper to each party, debtor or depositor as the case may be, that pursuant to the High Court of Bombay sanctioning the Scheme, the said debt, loan, advances, etc. be paid or made good or held on account of WL as the person entitled thereto the end and the intent that the right of WVW to recover or realise the same stands extinguished. WL may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court of Bombay having sanctioned the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of WL to recover or realise the same is in substitution of the right of WVW.

#### *Vesting of Liabilities:*

- 3 With effect from Appointed Date, all the debts, liabilities, contingent liabilities, duties and obligations of WVW as appearing in its books on the close of business on the day prior to the Appointed Date (hereinafter referred to as "the said liabilities"), shall also, without any further act, instrument or deed be and stand vested in WL pursuant to the provisions of Section 391/394 of the Act so as to become, as and from the Appointed Date, the debts, liabilities, duties and obligations of WL and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.

#### *Deeds of Confirmation*

- 4 WL may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the secured creditors of WVW or in favour of any other party to any contract or arrangement to which WVW is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. WL shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of WVW and to implement or carry out all such formalities or compliance referred to above on the part of WVW to be carried out or performed.

IT IS CLARIFIED THAT all debts, liabilities, duties and obligations of WVW as on the close of business on the day prior to the Appointed Date whether provided for or not in the Books of Accounts of WVW and all other liabilities which may accrue or arise on or after the close of business on the day prior to the Appointed Date but which relates to the period prior to the Appointed Date shall be the debts, liabilities, duties and obligations of WL.

#### *Pending Suits*

5. If any suit, appeal or other proceeding of whatever nature by or against WVW be pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the amalgamation by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against WL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against WVW as if this Scheme had not been made.

#### *Pending Contracts/Agreements*

6. Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the undertaking of which WVW is a party subsisting or having effect immediately before this Scheme becomes operative shall remain in full force and effect against or in favour of WL and may be enforced as fully and effectually as if instead of WVW, WL had been a party thereto.

*Transfer of Employee:*

7. On the Scheme becoming effective, all the employees of WVL on the Effective Date shall become the employees of WL, without any break or interruption in their services and the same terms and conditions on which they are engaged as on the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible in WL on the Effective Date. WL further agrees that for the purposes of payment of any retirement compensation such immediate uninterrupted past services with WVL shall also be taken into account.

*Transfer of Employee's Funds*

8. The accounts/ funds of the employees whose services are transferred under Clause 7 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts/Funds of WL and such employees shall be deemed to have become members of such Trusts/Funds of WL.

*Accrual of Income*

9. All the profits or income accruing or arising to WVL or expenditure or losses arising to or incurred by WVL, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of WL, as the case may be.

*Dissolution*

10. On the Scheme becoming effective, WVL shall be dissolved without being wound up.

*Issue of shares by WL*

11. Every equity shareholder of WVL on the Record Date shall, without any further act or deed, be entitled to and be allotted equity shares of WL in the proportion of 1 (One) equity share of Rs 10 each credited as fully paid up, for 4 (four) equity share held by him/her in WVL.
12. The new equity shares in WL to be issued to the equity shareholders of WVL shall be subject to the Memorandum and Articles of Association of WL and shall rank pari passu in all respects with the existing equity shares in WL.
13. WL shall, if necessary, increase its authorised share capital to facilitate allotment of equity shares to the shareholders of WVL as provide in Clause 11 above.
14. All members whose names appear in the Register of Members of WVL on the Record Date shall surrender to WL their share certificates for cancellation thereof. In default, upon the new equity shares in WL being issued and allotted, the share certificates in relation to the equity shares held by them in WVL shall be deemed to have been cancelled.
15. WL shall apply to Bombay, Ahemdabad and National Stock Exchange for listing of its equity shares which will be allotted pursuant to this Scheme.

*Accounting Treatment*

16. WL shall record the assets and liabilities of the Undertaking of WVL vested in it pursuant to the Scheme, at their book values as appearing in the books of WVL at the close of business on the day prior to the Appointed Date.
17. WL shall credit in its books of accounts, the face value of the equity shares issued to the equity shareholder of WVL pursuant to the Scheme, to the Share Capital Account.
18. The excess, if any, of the value of assets over the value of liabilities recorded by WL in its books upon vesting of the Undertaking pursuant to this Scheme and after adjusting for the face value of shares issued and allotted by WL, shall be credited to the General Reserve account in the books of WL.
19. The deficit, if any, in the value of assets over the value of liabilities recorded by WL in its books upon vesting of the undertaking pursuant to this Scheme and after adjusting for the face value of shares issued and allotted by WL, shall be debited to the Goodwill account in the books of WL.

**IV. APPLICATION TO THE HIGH COURT**

WL and WVL shall with all reasonable dispatch, make applications to the High Court of Judicature at Bombay where the Registered Offices of WL and WVL are situated, for sanctioning this Scheme of Amalgamation under Section 391 to 394 of the Act and for an order or orders thereof for carrying this Scheme into effect and for dissolution of WVL without winding up.



V. MODIFICATIONS / AMENDMENTS TO THE SCHEME

WVL and WL their respective Board of Directors may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). WVL and WL by their respective Board of Directors shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

VI. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

The Scheme is conditional upon and subject to:

1. Approval of the Scheme of Demerger, for vesting of the Pharmaceutical Division of Wockhardt in WL, by the High Court of Judicature at Bombay.
2. Approval of and agreement to this Scheme by the requisite majority of the respective members of and such class of persons of WVL and WL as may be directed by the High Court of Judicature at Bombay.
3. Sanction of this Scheme and Orders consequential thereto or otherwise required for giving effect to this Scheme (under the provisions of Section 391 read with Section 394 of the Act) being obtained by WVL and WL from the High Court of Judicature at Bombay.
4. All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

VII. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

In the event any of the approvals or conditions enumerated in Clause VI above not being obtained or complied, or for any other reason, the Scheme cannot be implemented, the Board of Directors of WL and WVL shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme is not sanctioned by the High Court of Judicature at Bombay, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

VIII. COSTS

Stamp Duty, if any, payable on the vesting of assets pursuant to this Scheme shall be paid by WL. All other charges and expenses incurred in carrying out and implementing the terms and provisions of this Scheme and incidentals thereto shall also be borne by WL.

CERTIFIED TO BE A TRUE COPY  
This 29th day of March, 2000

Sd/-  
For Protonotary and Senior Master

IN THE HIGH COURT OF JUDICATURE  
AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY PETITION NO. 1218 OF 1999.  
CONNECTED WITH  
COMPANY APPLICATION NO. 713 OF 1999.

In the matter of the Companies  
Act, 1956 (1 of 1956);

AND

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

AND

In the matter of Scheme of Amalgamation  
between WOCKHARDT VETERINARY  
LIMITED with WOCKHARDT LIMITED

WOCKHARDT VETERINARY LIMITED ... Petitioner.

**CERTIFIED COPY OF  
ORDER SANCTIONING THE SCHEME  
OF AMALGAMATION**

Dated this 31st day of January, 2000  
Filed this 27th day March, 2000

**M/S RAJESH SHAH & CO.**

Advocates for the Petitioner:

104, Bajaj Bhavan;

Nariman Point,

Bombay - 400 021.

IN THE HIGH COURT OF DELHI AT NEW DELHI

ORIGINAL JURISDICTION

COMPANY PETITION NO. 49 OF 2011

CONNECTED WITH

COMPANY APPLICATION (M) NO. 11 OF 2011

MEMO OF PARTIES

IN THE MATTER OF:

Sections 391 to 394 and 78, 100 to 104 of the Companies Act, 1956;

AND IN THE MATTER OF:

**Scheme of Arrangement (Demerger)** between Vinton Healthcare Limited and Wockhardt Limited pursuant to Sections 391 to 394 and 78, 100 to 104 and other relevant provisions of the Companies Act, 1956

AND IN THE MATTER OF:

**VINTON HEALTHCARE LIMITED**, a Company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at 26D, Khizrabad, New Friends Colony, New Delhi – 110065, within the aforesaid jurisdiction.

...APPLICANT/ TRANSFEROR COMPANY

AND IN THE MATTER OF:

**WOCKHARDT LIMITED**, a Company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at Wockhardt Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, within the aforesaid jurisdiction.

...TRANSFEEE COMPANY

Filed by:  
Sd/-  
(KHAITAN & PARTNERS)  
ADVOCATES FOR THE APPLICANT/TRANSFEROR COMPANY  
W-13, WEST WING  
GREATER KAILASH PART-II  
NEW DELHI-110048  
PH: 4950 1500

New Delhi  
Dated: 28.04.2011

28.04.2011  
Present: Mr. Ramesh Singh, Advocate with Mr. Suman Jyoti Khaitan and Ms. Barsha Mishra, Advocates for petitioner.  
Ms. Richa Kukreja, Deputy Registrar of Companies for Regional Director (Northern Region)

+ Co. Pet. 49/2011  
\* (In the matter of Vinton Healthcare Ltd.)

1. This second motion petition has been filed by the petitioner company under Sections 391 to 394 and 78, 100 to 104 of the Companies Act, 1956 (for short 'Act') seeking sanction of the Scheme of Arrangement (Demerger) (for short 'Scheme') between VINTON HEALTHCARE LIMITED (hereinafter referred to as the 'Transferor Company') and WOCKHARDT LIMITED (hereinafter referred to as the 'Transferee Company').
2. The registered office of the Transferor Company is situated at New Delhi, within the jurisdiction of this Court and the registered office of the Transferee Company is situated at Mumbai.
3. The Transferor Company was incorporated on 15<sup>th</sup> day of December, 1995 under the provisions of the Act and was issued a Fresh Certificate of Incorporation by the Registrar of Companies, NCT of Delhi and Haryana.
4. The Transferee Company above named was incorporated on 8<sup>th</sup> July, 1999 under the provisions of the Act and was issued a Certificate of Incorporation by the Registrar of Companies, Mumbai.

5. The Authorised Share Capital of the Transferor Company is Rs. 1,500,000,000/- (Rupees One Hundred and Fifty Crore only) divided into 10,000,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten) each and 14,000,000 (One Crore Forty Lakh) Preference shares of Rs.100/- (Rupees One Hundred) each. The Issued, Subscribed and Paid-Up Share Capital of the Transferor Company is Rs 1,380,000,000/- (Rupees One Hundred Thirty Eight Crore only) divided into 10,000,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten) each and 12,800,000 (One Crore Twenty Eight Lakh) Preference shares of Rs.100/- (Rupees One Hundred) each fully paid up.
6. The Authorised Share Capital of the Transferee Company is Rs. 11,250,000,000/- (Rupees One Thousand One Hundred and Twenty Five Crore only) divided into 250,000,000 (Twenty Five Crore) Equity Shares of Rs.5/- (Rupees Five) each and 2,000,000,000 (Two Hundred Crore) Preference shares of Rs.5/- (Rupees Five) each. The Issued, Subscribed and Paid-Up Share Capital of the Transferee Company is Rs 7,835,721,400/- (Rupees Seven Hundred and Eighty Three Crore Fifty Seven Lakh Twenty One Thousand Four Hundred only) divided into 109,435,903 (Ten Crore Ninety Four Lakh Thirty Five Thousand Nine Hundred and Three) Equity Shares of Rs. 5/- (Rupees Five) each and 1,457,708,377 (One Hundred and Forty Five Crore Seventy Seven Lacs Eight Thousand Three Hundred and Seventy Seven only) Preference shares of Rs.5/- (Rupees Five) each fully paid up.
7. Copies of the Memorandum and Articles of Association of the Transferor and the Transferee Company have been filed on record. The audited balance sheets, as on 31<sup>st</sup> March, 2010, of the Transferor and the Transferee Companies, along with the report of the auditors, have also been filed.
8. A copy of the Scheme has been placed on record and the salient features of the Scheme have been incorporated and detailed in the petition and the accompanying affidavits. It is submitted that the Transferor Company's has the object of transferring and vesting the Transferor Company's entire undertaking relating to the business activity of trading in milk products ("Nutrition Undertaking") together with all the properties, rights, claims and obligations relating thereto in the Transferee Company on the terms and conditions fully stated in the Scheme. The Scheme will contribute in furthering and fulfilling the objects of the respective Companies and lead to the optimum growth and development of the business of the Companies. The Scheme will have beneficial results for the two companies concerned, their shareholders, employees, creditors and all concerned. It is further claimed that in the circumstances, it is considered desirable and expedient to demerge the Nutrition Undertaking of the Transferor Company into the Transferee Company in the manner and on the terms and conditions stated in the said Scheme.
9. So far as the share exchange ratio is concerned, since the Transferor Company is a wholly owned subsidiary of the Transferee Company and its entire share capital is held by the Transferee Company and its nominees, the Scheme provides that, upon the Scheme becoming effective, there would be no issue of shares of Transferee Company to shareholders of the Transferor Company.
10. Mr. Ramesh Singh, learned counsel for the petitioner company submits that no proceedings under Sections 235 to 251 of the Act are pending against the Transferor and Transferee Companies.
11. The Board of Directors of the Transferor Company and the Transferee Company in their meetings held on 12<sup>th</sup> January, 2011 respectively has unanimously approved the proposed Scheme. Copies of the Resolutions passed at the meetings of the Board of Directors of the Transferor Company and the Transferee Company have been placed on record.
12. The Transferor Company had earlier filed CA (M) No. 11 of 2011 seeking the directions of this court to dispense with the requirement of convening the meetings of Equity Shareholders, Preference Shareholders and the Unsecured Creditors of the Transferor Company. Vide order dated 19<sup>th</sup> January, 2011, this court allowed the application and dispensed with the requirement of convening and holding the meetings of equity shareholders, preference shareholders and the Unsecured Creditors of the Transferor Company to consider the proposed Scheme.
13. The Transferor Company has thereafter filed the present petition seeking sanction of the Scheme. Vide order dated 01<sup>st</sup> February, 2011, notice in the petition was directed to be issued to the Regional Director, Northern Region. Citations were also directed to be published in 'The Statesman' (English) and 'Jansatta' (Hindi) in accordance with Rule 80 of the Companies (Court) Rules, 1959. An affidavit has been filed by the Applicant showing compliance regarding publication of citations in the aforesaid newspapers on 01<sup>st</sup> April, 2011. Copies of the newspaper clippings containing the publications have been filed along with the affidavit.
14. Pursuant to the notices issued, Mr. Dinesh Chand, Joint Director, on behalf of the Regional Director, Northern Region, Noida, sought certain information from the Transferor Company which also included information about certain charges that are proposed to be transferred from the Demerged Company (Transferor Company) to the Resulting Company (Transferee Company) vide letter dated 04<sup>th</sup> February, 2011.
15. In response to the letter dated 04<sup>th</sup> February, 2011 of the Regional Director, the Transferor Company filed its reply dated 26<sup>th</sup> February, 2011.
16. In response to the notices issued in the petition, Mr. B.K. Bansal, Regional Director, Northern Region, Ministry of Corporate Affairs has filed his affidavit on 17<sup>th</sup> March, 2011. Relying on Clause 4.10 of Part-B of the Scheme, he has stated that, upon sanction of the Scheme, all the employees of the Demerged Company engaged in "Nutrition Undertakings" shall become the employees of the Resulting Company without any break or interruption in their services.

17. The Regional Director has further submitted that the Transferor Company vide its letters dated 26<sup>th</sup> February, 2011 has intimated that certain charges are proposed to be transferred from the Transferor Company to the Transferee Company.

18. The Regional Director has further submitted that name of a company cannot be substituted in the charge documents as such for satisfaction of charge, the Transferor company is required to file Form No. 17 and comply with the relevant provisions of the Act for sanction and creation of charge in Resulting Company (Transferee)

19. Mr. Ramesh Singh, learned counsel for petitioner undertakes to this Court that the Transferor Company shall file Form No. 17 in compliance with the relevant provisions of the Act for satisfaction and creation of charge in the Resulting Company.

20. Further, an affidavit has been filed by the petitioner on 26<sup>th</sup> April, 2011 stating that pursuant to the filing of the notice of Petition in the newspapers, the petitioner has not received any objection with respect to the advertisements regarding the Petition seeking sanction of the Scheme between Transferor Company and Transferee Company.

21. In view of the consent accorded by the Equity Shareholders, Preference Shareholders and Unsecured creditors of the Transferor Company and the Regional Director, Northern Region, there appears to be no impediment to the grant of sanction to the Scheme. Consequently, prayer to dispense with addition of the suffix "and reduced" to the name of the Transferor Company under Section 100 to 103 of the Act and that all properties, assets and liabilities of the Nutrition Undertaking of the Transferor Company in the Scheme be transferred to the Transferee Company with effect from the appointed date without any further act or thing being done so as to become the Undertaking, business, properties, assets and liabilities of the Transferee Company are granted and sanction is hereby granted to the Scheme as to be binding with effect from 1<sup>st</sup> January, 2011 on the Transferor Company, their Shareholders and Unsecured Creditors under Sections 391 to 394 and 78, 100 to 104 of the Act. The Transferor Company will comply with the statutory requirements in accordance with law. Certified copy of this order is filed with the Registrar of Companies within thirty days. It is also clarified that this order will not be construed as an order granting exemption from payment of stamp duty, taxes and transfer charges as payable in accordance with law and permissions, if any, to be obtained from any authority. Upon the sanction becoming effective from the appointed date of the Scheme, i.e. 01<sup>st</sup> January, 2011, the Nutrition Business shall pursuant to the provisions of Sections 391 to 394 of the Act, Section 2 (19AA) of the IT Act, and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested, as a going concern, into the Transferee Company.

22. In the present case, the Transferee Company which is having its registered office in Mumbai has not filed the first motion petition. According to Mr. Ramesh Singh, learned counsel for the petitioner, in the present facts of the case, the Transferee Company is not required to seek any sanction from the Bombay High Court. In my opinion, since the jurisdiction of the Transferee Company is subject to the Bombay High Court, this Court cannot comment on the said issue either way. Consequently, the Scheme is being sanctioned subject to the approval of the scheme by Bombay High Court, if required.

23. Mr. Ramesh Singh, learned counsel for petitioner voluntarily states that Transferor Company would deposit a sum of Rs 1,00,000/- with the Official Liquidators' Common Pool Fund within three weeks from today. The said statement is accepted.

24. The petition is allowed in the above terms

Order Dasti.

Sd/  
MANMOHAN, J.

April 28, 2011

IN THE HIGH COURT OF DELHI AT NEW DELHI  
(ORIGINAL JURISDICTION)  
IN THE MATTER OF THE COMPANIES ACT, 1956  
AND  
IN THE MATTER OF SCHEME OF ARRANGEMENT  
BETWEEN  
COMPANY PETITION NO. 49/2011  
CONNECTED WITH  
COMPANY APPLICATION (M) NO. 11/2011

IN THE MATTER OF M/s Vinton Healthcare Ltd.  
having its regd. Office at :  
26-D, Khizrabad, New Friends Colony,  
New Delhi – 110065

... Petitioner/Transferor Company  
(Within the jurisdiction of this Court)

AND

IN THE MATTER OF M/s Wockhardt Limited  
having its regd. Office at:  
Wockhardt Towers, Bandra-Kurla Complex,  
Bandra (East), Mumbai – 400 051

... Transferee Company  
(Outside the jurisdiction of this Court)

BEFORE HON'BLE MR. JUSTICE MANMOHAN  
DATED THIS THE 28<sup>th</sup> DAY OF APRIL, 2011

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition came up for hearing on 28/04/2011 for sanction of Scheme of Arrangement proposed to be made between M/s Vinton Healthcare Ltd. (hereinafter referred to as Transferor Company) with M/s Wockhardt Limited (hereinafter referred to as Transferee Company). The Court examined the petition; the order dated 19/01/2011, passed in CA(M) 11/2011, whereby the requirement of convening and holding the meetings of the Equity Shareholders, Preference Shareholders & Unsecured Creditors of the Transferor Company for the purpose of considering and, if thought fit, approving with or without modification, the Scheme of Arrangement annexed to the affidavit dated 15/01/2011 of Mr. Vinay Taneja, Authorized Signatory of the Petitioner Company was dispensed with and the publication in the newspapers namely 'Statesman' (English) and 'Jansatta' (Hindi) both dated 31/03/2011 containing the notice of the Petition.

The Court also examined the affidavit dated 16/03/2011 of the Regional Director, Northern Region, Ministry of Corporate Affairs submitting that the Transferor Company vide its letter dated 26<sup>th</sup> February, 2011 has intimated that certain charges are proposed to be transferred from the Transferor Company to the Transferee Company. It was further submitted that name of a company cannot be substituted in the charge documents as such for satisfaction of charge, the Transferor Company is required to file Form No. 17 and comply with the relevant provisions of the Act for sanction and creation of charge in Resulting Company (Transferee Company). In response thereto, learned counsel for petitioner undertook to the Court that the Transferor Company shall file Form No. 17 in compliance with the relevant provisions of the Act for satisfaction and creation of charge in the Resulting Company.

Upon hearing Mr. Ramesh Singh, Advocate with Mr. Suman Jyoti Khaitan and Ms. Barsha Mishra, Advocates for the petitioner and Ms. Richa Kukreja, Dy. Registrar of Companies for the Regional Director (Northern Region) and in view of the approval of the Scheme of Arrangement without any modification by the Equity Shareholders, Preference Shareholders, & Unsecured Creditors of the Transferor Company and there being no investigation proceedings pending in relation to the Transferor and Transferee Companies under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOETH HEREBY SANCTION THE SCHEME OF ARRANGEMENT (subject to the approval of the Scheme by the Bombay High Court, if required) set forth in Schedule-I annexed hereto and doeth hereby declare the same to be binding on all the Shareholders & Creditors of the Petitioner Company and all concerned and doeth approve the said Scheme of Arrangement with effect from the appointed date i.e. 01/01/2011.

AND THIS COURT DOETH FURTHER ORDER:

1. That all the property, rights and powers on demerger of the Nutrition Undertaking of the Transferor Company specified in Schedule-II hereto be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest on the demerger of the Nutrition Undertaking of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and

2. That all the liabilities and duties on demerger of the Nutrition Undertaking of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against demerger of the Nutrition Undertaking of the Transferor Company be continued by or against the Transferee Company; and
4. That the Transferor Company is a wholly owned subsidiary of the Transferee Company and its entire share capital is held by the Transferee Company and its nominees. Accordingly, there would be no issue of shares of the Transferee Company to shareholders of the Demerged Company/Transferor Company; and
5. That the Petitioner Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration; and
6. It is clarified that this order will not be construed as an order granting exemption from payment of stamp duty that is payable in accordance with law; and
7. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

SCHEME OF ARRANGEMENT  
IN THE NATURE OF DEMERGER OF  
NUTRITION BUSINESS OF VINTON HEALTHCARE LIMITED

TO

WOCKHARDT LIMITED

UNDER SECTIONS 391 TO 394, 78, 100 to 104 OF  
THE COMPANIES ACT, 1956

PREAMBLE

(A) DESCRIPTION OF COMPANIES

1. Wockhardt Limited (herein after referred as 'WL' or 'Transferee Company') is a public limited company incorporated on 8<sup>th</sup> July 1999. The equity shares of WL are listed on the Bombay Stock Exchange Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). Its registered office is situated at Wockhardt Towers, Bandra - Kurla Complex, Bandra (East), Mumbai 400 051. WL is engaged in the business of pharmaceuticals and biotechnology.
2. Vinton Healthcare Limited (hereinafter referred to as 'VHL' or 'Demerged Company') is a public limited company, incorporated under the Companies Act, 1956 and has its registered office situated at 26D, Khizrabad, New Friends Colony, New Delhi - 110065.
3. VHL inter alia is engaged in the business of milk trading (herein after referred as 'Nutrition Business'). It also has a near complete plant at Jagraon (Punjab) (herein after referred as 'Plant').
4. The proposed Scheme of Arrangement will contribute in furthering and fulfilling the objects of the respective Companies and lead to the optimum growth and development of the business of the Companies.
5. The proposed Scheme of Arrangement will have beneficial results for the two companies concerned, their shareholders, employees, creditors and all concerned.

(B) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. Part A which deals with the definitions; and the share capital structure;
2. Part B which deals with demerger of Nutrition business of VHL and transfer and vesting thereof into WL and consequential or related matters;
3. Part C which deals with other terms and conditions.

**PART A - DEFINITIONS AND SHARE CAPITAL**

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the meaning as mentioned herein below:

- 1.1. "Act" or "The Act" means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force.
- 1.2. "Appointed Date" means the opening hours of 1<sup>st</sup> day of January 2011.
- 1.3. "Board of Directors" in relation to VHL and WL as the case may be, shall, unless it be repugnant to the context or otherwise, includes a Committee of Directors or any person authorized by the Board of Directors or any person authorized by the Board of Directors or such Committee of Directors.
- 1.4. "Demerged Company or VHL" means Vinton Healthcare Limited, having its registered office at 26D, Khizrabad, New Friends Colony, New Delhi - 110065.
- 1.5. "Effective Date" means the last of the dates on which the certified copies of the Order of the High Court under Section 391 and 394 of the Act sanctioning the Scheme is filed with the Registrar of Companies at Delhi as applicable and all the conditions and matters referred to in Clause 15 of this Scheme occur or have been fulfilled or waived in accordance with this Scheme. Any references in the Scheme to "upon the Scheme becoming effective" or "on coming into effect of the Scheme" or "Scheme coming into effect" shall mean the "Effective Date".



- 1.6. "High Court" means the Hon'ble High Court of Delhi having jurisdiction in relation to the Demerged Company, or such other competent authority or the National Company Law Tribunal to whom this Scheme in its present form is submitted for sanctioning under Sections 391 – 394 of the Act.
- 1.7. "IT Act" means the Income-tax Act, 1961 including any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.8. "Nutrition Business" or "Nutrition Undertaking" means the business of milk trading and includes the undertaking comprising of:
- 1.8.1. All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent, tangible or intangible) of the Nutrition Business wherever situated;
- 1.8.2. All present and future liabilities and specified contingent liabilities arising out of the activities or operations of Nutrition Business, including loans, debts, current liabilities and provisions, duties and obligations relating to the Nutrition Business.
- 1.8.3. Without prejudice to the generality of the above, the Nutrition Business shall include in particular:
- all properties of the Nutrition Business wherever situated, including all current assets, offices, furniture, fittings, office equipments, plant and machinery (including a near complete manufacturing plant at Jagraon (Punjab)), leasehold improvements, transmission equipments and computers;
  - all permits, quotas, rights, entitlements, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions (including electricity board connections), approvals, consents, contracts, lease agreements, leave & license agreements, licenses, registrations, subsidies, concessions and content, exemptions, remissions, presentations, tax deferrals, accumulated tax losses, unabsorbed tax depreciation, any unutilized CENVAT, service tax credit, tenancies in relation to any office and/or residential property for employees, goodwill, intellectual property, investment, cash balances, the benefit of any deposit, financial assets, funds belonging to or proposed to be utilised for the Nutrition Business, bank balances and bank accounts relating to the day to day operations and specific to the working of the Nutrition Business, privileges, all other rights and benefits, lease rights, patents, trade marks, domain names, copyrights, trade name, brand names and other intellectual property rights of any nature whatsoever and licenses in respect thereof, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephone, telexes, facsimile connection and installations, utilities, power lines, electricity and other services, provisions, funds, benefits of all agreements, subsidies, grants and incentive schemes formulated by Central or State Government, if any, contracts and arrangements and all other interest in connection with or relating to the Nutrition Business;
  - all records, files, papers, computer programs, software, manuals, data, catalogues, quotations, sale and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical or electronic form in connection with or relating to the Nutrition Business;
  - all duties and obligations relating to the Nutrition Business; and
  - all earnest moneys, retention money and/or security deposits, if any, paid or received by VHL in connection with or relating to the Nutrition Business.
- 1.8.4. For the purpose of this Scheme, it is clarified that liabilities pertaining to the Nutrition Business include:
- the liabilities, which arise out of the activities or operations of the Nutrition Business;
  - specific loans and borrowings raised, incurred and utilised solely for the activities or operations of the Nutrition Business; and
  - liabilities other than those referred to in Clauses (a) and (b) above, being the amounts of general or multipurpose borrowings of VHL, allocated to the Nutrition Business in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of VHL immediately before giving effect to this Scheme.
- 1.8.5. All employees of VHL employed in the Nutrition Business, as identified by the Board of Directors of VHL, as on the Effective Date.
- 1.8.6. Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Nutrition Business or whether or not it arises out of the activities or operations of the Nutrition Business shall be decided by mutual agreement between the Board of Directors of VHL and WL.
- 1.9. "Remaining Business" means the business, assets and liabilities of the Demerged Company other than the Nutrition Business and includes all other business units, divisions and their respective assets, liabilities

including portion of general or multipurpose borrowings, contracts and employees not allocated to the Nutrition Business of VHL.

- 1.10. "Transferee Company or WL" means Wockhardt Limited having its registered office at Wockhardt Towers, Bandra- Kurla Complex, Bandra (East), Mumbai 400 051.
- 1.11. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Arrangement in accordance with Section 2(19AA) of the IT Act in its present form, together with all the schedules and annexures, which shall form part of this Scheme of Arrangement for Demerger and shall be submitted to the High Court or with any modification(s) made under Clause 14.1 of this Scheme or with such other modifications/amendments as the High Court may direct.
- 1.12. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court(s), unless otherwise specified in the Scheme, shall be operative from the Appointed Date but shall be effective from the Effective Date.

## 3. SHARE CAPITAL

- 3.1. The Authorised, issued, subscribed and paid-up share capital of VHL as on November 30, 2010 is as under:

Particulars	Amount Rupees
<b>Authorised Capital</b>	
10,000,000 Equity shares of Rs 10/- each	100,000,000
14,000,000 Redeemable Preference shares of Rs 100/- each	1,400,000,000
<b>TOTAL</b>	<b>1,500,000,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
10,000,000 Equity shares of Rs 10/- each fully paid up	100,000,000
12,800,000 7% Non-cumulative Redeemable Preference shares of Rs 100/- each fully paid up	1,280,000,000
<b>TOTAL</b>	<b>1,380,000,000</b>

Subsequent to the aforesaid date, there is no change in the Authorised, issued, subscribed and paid-up share capital of VHL.

VHL is a wholly owned subsidiary of WL i.e. the entire share of VHL is held by WL.

- 3.2. The Authorised, issued, subscribed and paid-up share capital of WL as on November 30, 2010 is as under:

Particulars	Amount Rupees
<b>Authorised Capital</b>	
250,000,000 Equity shares of Rs 5/- each	1,250,000,000
2000,000,000 Preference shares of Rs 5/- each	10,000,000,000
<b>TOTAL</b>	<b>11,250,000,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	
109,435,903 Equity shares of Rs 5/- each fully paid up	547,179,515
424,723,021 Optionally Convertible Cumulative Redeemable Preference shares of Rs 5/- each fully paid up	2,123,615,105
1,007,772,081 Non-Convertible Cumulative Redeemable Preference shares of Rs 5/- each fully paid up	5,003,860,405
<b>TOTAL</b>	<b>7,674,655,025</b>

Subsequent to the aforesaid date, there is no change in the Authorised, issued, subscribed and paid-up share capital of WL.

#### PART B – DEMERGER OF NUTRITION BUSINESS OF VHL

This Scheme complies with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act. If any terms or provisions of this Scheme are found or interpreted to be inconsistent with the said provisions at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act.

#### 4. TRANSFER AND VESTING OF NUTRITION BUSINESS OF THE DEMERGED COMPANY

Upon the Scheme coming into effect, and with effect, from the Appointed Date:

- 4.1 The Nutrition Business as defined in Clause 1.8 shall pursuant to the provisions of Sections 391 to 394 of the Act, Section 2(19AA) of the IT Act, and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested, as a going concern, into the Transferee Company. The transfer and vesting of the Nutrition Business shall be effected as follows:-
- 4.1.1 In the event that the Board of Directors of the Demerged Company and the Transferee Company so desire, in respect of such of the assets of the Nutrition Business as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall, be transferred by the Demerged Company to the Transferee Company as provided in Clause 4.2; and
- 4.1.2 In respect of any assets, other than those referred to in Clause 4.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company pursuant to the Scheme coming into effect.
- 4.2 In the event that the Board of Directors of the Demerged Company and the Transferee Company so jointly decide as provided in Clause 4.1, the transfer and vesting of movable assets shall be effected as follows:
- 4.2.1 All the movable assets forming part of or comprised in the Nutrition Business or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand shall be physically handed over by manual delivery to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.
- 4.2.2 In respect of movable assets pertaining to the Nutrition Business, other than those specified in Clause 4.2.1 including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the Demerged Company may give notice in such form as it may deem fit and proper to each party, debtor or depositee of the Demerged Company as the case may be, that pursuant to the Scheme coming into effect, the said debt, loan, advances, etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands extinguished, and that such rights to recover or realise the same shall vest in the Transferee Company. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositee that pursuant to the Scheme coming into effect, the said person, debtor or depositee should pay the debt, loan or advance or make good the same or hold the same to the account of the Transferee Company and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Demerged Company.
- 4.3 Upon the scheme being effective, the immovable properties, if any, relating to the Nutrition Business, and any documents of title/rights and easements in relation thereto shall be vested in and transferred to and/or be deemed to have been vested in and stand transferred to and shall belong to the Transferee Company. From the Appointed Date, the Transferee Company shall in relation to the properties of the Nutrition Business transferred to the Transferee Company under this Scheme, be liable for ground rent, municipal taxes and any other applicable cess, duties, levies, taxes and the like. The mutation of the title to the said immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the Scheme, in accordance with the terms hereof without any further act or deed whatsoever, in favour of the Transferee Company.
- 4.4 Upon the coming into effect of this Scheme, all debts, liabilities, loans and obligations incurred, duties or obligations of any kind, nature or description (including specified contingent liabilities) of the Demerged Company (as on the Appointed Date) and relating to the Nutrition Business including general and multipurpose borrowings dealt with in accordance with Section 2(19AA) of the IT Act shall, without any further act or deed, stand transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company to the extent that they are outstanding as on the Effective Date and on the same terms and conditions as

applicable to the Demerged Company, and shall become the debts, liabilities, loans, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same. It shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.

- 4.5 Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, debtors / receivables, creditors / payables, deposits, balances or other obligations, including interest accrued, if any, in relation to the Nutrition Business, from the Appointed Date, as between the Demerged Company, and the Transferee Company, the obligations in respect thereof shall come to an end.
- 4.6 Any statutory licenses, permissions, approvals and/or consents held by the Demerged Company required to carry on operations of the Nutrition Business shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated, wherever required, by the statutory authorities or any other person concerned therewith in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Nutrition Business shall vest in and become available to the Transferee Company pursuant to the Scheme coming into effect. Any no-objection certificates, licenses, permissions, consents, approvals, authorisations, registrations or statutory rights as are jointly held by the Nutrition Business and any other division of the Demerged Company shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorities, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, upon the filing of the Scheme as sanctioned with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations of the Nutrition Business in the Transferee Company without any let or hindrance from the Effective Date.
- 4.7 The transfer and vesting of the Nutrition Business as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relating to Nutrition Business to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Nutrition Business.
- 4.8 Upon the coming into effect of this Scheme and as per the provisions of Section 72A(4) and other applicable provisions of the IT Act, the entire accumulated tax losses and unabsorbed depreciation of VHL shall be transferred to the Transferee Company as the whole of such accumulated tax losses and unabsorbed depreciation is directly relating to the Nutrition Business.
- 4.9 It is clarified that all the taxes and duties payable by the Demerged Company, relating to the Nutrition Business, from the Appointed Date onwards including all advance tax payments, tax deducted at source, tax liabilities or any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of the Transferee Company. Accordingly, upon the Scheme becoming effective, pursuant to the provisions of this Scheme, the Demerged Company is expressly permitted to revise their returns and the Transferee Company is expressly permitted to file its income tax return including tax deducted at source certificates, sales tax/value added tax returns, excise returns, service tax returns and other tax returns, and to claim refunds/credits.

#### STAFF, WORKMEN AND EMPLOYEES

- 4.10 All staff, workmen and employees of Nutrition Business in the Demerged Company, in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company, with effect from the Appointed Date without any break in their service and on the basis of continuity of 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 Demerged Company, in relation to the Nutrition Business, on the Effective Date. Any question that may arise as to whether any staff, workman or employee belongs to or does not belong to the Nutrition Business or the Remaining Business of the Demerged Company, shall be decided by Board of Directors of the Demerged Company.
- 4.11 It is expressly provided that, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts created or existing for the benefit of the staff, workmen and employees of the Demerged Company, in relation to the Nutrition Business, shall become the trusts/funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company, in connection with the Nutrition Business, relating to such fund or funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees of the Demerged Company, in relation to the Nutrition Business, will be treated as having been continuous for the purpose of the said fund or funds.

#### LEGAL AND OTHER PROCEEDINGS

- 4.12 All legal and other proceedings, including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Demerged Company pending and/or arising at the Appointed Date and

relating to the Nutrition Business, shall be continued and enforced by or against the Transferee Company only, to the exclusion of the Demerged Company in the manner and to the same extent as would have been continued and enforced by or against the Demerged Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Nutrition Business.

In the event that the legal proceedings referred to above, require the Demerged Company and the Transferee Company to be jointly treated as parties thereto, the Transferee Company shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Demerged Company. In the event of any difference or difficulty in determining whether any specific legal or other proceeding relates to the Nutrition Business or not, the decision of the Board of Directors of the Demerged Company as to whether such proceeding relates to the Nutrition Business or not, shall be conclusive evidence of the relationship with Nutrition Business.

It is clarified that after the Appointed Date, in case the proceedings referred above, cannot be transferred for any reason, the Demerged Company shall prosecute or defend the same at the cost of the Transferee Company, and the Transferee Company shall reimburse, indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

#### CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 4.13 Notwithstanding anything contrary contained in this Scheme, any and all existing contracts, deeds, bonds, insurance policies, agreements and other instruments if any, of whatsoever nature relating to the Nutrition Business and to which the Demerged Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Demerged Company, the Transferee Company had been a party or beneficiary or obligee thereto, without any further act or deed.
- 4.14 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.
- 4.15 Even after this Scheme becomes effective, the Transferee Company shall, as its own right, be entitled to realise all monies and complete and enforce all pending contracts and transactions in respect of the Nutrition Business in the name of the Demerged Company, in so far as may be necessary, until the transfer of rights and obligations of the Demerged Company to the Transferee Company under this Scheme is formally accepted by the third parties.

#### 5 SECURITY

- 5.1 It is clarified that unless otherwise determined by the Board of Directors of the Transferee Company, in so far as the assets of the Demerged Company, are concerned the security or charge relating to loans, debentures or borrowings of the Demerged Company, in relation to the Nutrition Business, shall without any further act or deed continue to relate to the said assets after the Effective Date and shall not relate to or be available as security in relation to the borrowings of the Remaining Business of the Demerged Company.
- 5.2 It is further clarified that the assets of the Remaining Business of Demerged Company shall not relate to or be available as security in relation to any borrowings in relation to the Nutrition Business in the Transferee Company post the proposed demerger.

#### 6 SAVING OF CONCLUDED TRANSACTIONS

- 6.1 The transfer of Nutrition Business as above and the continuance of proceedings by or against the Demerged Company in relation to the Nutrition Business and the Transferee Company, shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company, accepts and adopts all acts, deeds and things done and executed by the Demerged Company, in relation to the Nutrition Business, in respect thereto as done and executed on behalf of the Transferee Company.

#### 7 CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

During the period between the Appointed Date and the Effective Date:

- 7.1 The Demerged Company shall carry on and be deemed to have carried on its business and activities in relation to the Nutrition Business, and shall hold and deal with all assets and properties and stand possessed of all rights, title, interest and authorities of the Nutrition Business, for and on account of and in trust for the Transferee Company.

- 7.2 Any income or profit accruing or arising to the Demerged Company in relation to the Nutrition Business and all costs, charges, expenses and losses, arising or incurred by the Demerged Company in relation to the Nutrition Business shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of the Transferee Company.
- 7.3 The Demerged Company shall not utilise the profits or income, if any, relating to the Nutrition Business for the purpose of declaring or paying any dividend or for any other purpose in respect of the period from and after the Appointed Date, without the prior written consent of the Transferee Company.
- 7.4 The Demerged Company shall not (without the prior, written consent of the Transferee Company) alienate, charge or otherwise deal with or dispose of the Nutrition Business or any part thereof except in the usual course of business or pursuant to any pre-existing obligation undertaken prior to the Appointed Date.
- 7.5 The Demerged Company shall carry on Nutrition Business with reasonable diligence and prudence, in the ordinary course of business, and the Demerged Company shall not, in any material respect, alter or expand Nutrition Business, other than such alterations or expansions as have already been commenced, except with the prior written consent of the Transferee Company and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Nutrition Business, save and except, in each case, in the following circumstances:
- (i) if the same is in the ordinary course of business; or
  - (ii) if the same is expressly permitted by this Scheme; or
  - (iii) if the written consent of the Transferee Company, has been obtained.
- 7.6 The Demerged Company shall not vary or alter, except in the ordinary course of its business, the terms and conditions of employment of any of its employees in relation to the Nutrition Business.
- 7.7 The Demerged Company shall, pending the sanction of the Scheme by the High Court, apply to the Central Government or any State Government and all other ministries, agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and carry on the Nutrition Business.

## **8 REMAINING BUSINESS**

- 8.1 The Remaining Business of the Demerged Company shall continue to belong to and be vested in and be managed by the Demerged Company.
- 8.2 All legal and other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty, of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced by or against the Demerged Company.
- 8.3 With effect from the Appointed Date and upto and including the Effective Date-
- 8.3.1 the Demerged Company shall be deemed to have been carrying and to be carrying on all business and activities relating to the Remaining Business of the Demerged Company for and on its own behalf;
  - 8.3.2 all profit accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Remaining Business of the Demerged Company shall, for all purposes, be treated as the profit, or losses, as the case may be, of the Demerged Company.

## **9 ISSUE OF SHARES BY WL**

The Demerged Company is a wholly owned subsidiary of the Transferee Company and its entire share capital is held by Transferee Company and its nominees. Accordingly, there would be no issue of shares of Transferee Company to shareholders of Demerged Company.

## **10 ACCOUNTING TREATMENT**

With effect from the Appointed Date:

### **10.1 Accounting treatment - In the books of VHL**

- 10.1.1 Upon the Scheme coming into effect and with effect from the Appointed Date, the accounts representing the assets and liabilities of the Nutrition Business shall stand closed on transfer to the Transferee Company.

- 10.1.2 The difference between the amount of assets and liabilities so transferred shall be adjusted in the balance of Profit and Loss Account in the Balance Sheet of VHL.
- 10.1.3 After giving effect to Clauses 10.1.1 and 10.1.2 above, the balance, if any, in the Profit and Loss Account in the Balance Sheet of VHL shall be adjusted first in General Reserve Account in the Balance Sheet of VHL (to the extent available) then in Preference Share Capital Account in the Balance Sheet of VHL (to the extent available) and the residual balance, if any, against the Equity Share Capital Account in the Balance Sheet of VHL.
- 10.2 **Accounting Treatment - In the books of WL**
- 10.2.1 The Transferee Company shall record the assets and liabilities of the Nutrition Business vested in it in accordance with Clause 4 of the Scheme, at their respective book values, as appearing in the books of account of the Demerged Company at the close of the business of the day immediately preceding the Appointed Date.
- 10.2.2 The difference between the recorded value of assets of the Nutrition Business in the books of accounts of the Transferee Company over the aggregate of recorded value of the liabilities of the Nutrition Business in the books of account of the Transferee Company and adjustment in value of investment held by WL in VHL on account of demerger of Nutrition Business from VHL to WL shall be adjusted in General Reserve (if surplus) / Goodwill (if deficit), as the case may be, in the Balance Sheet of the Transferee Company.

## 11 REDUCTION OF SHARE CAPITAL OF VHL

- 11.1 The share certificates of VHL in relation to, the equity and preference shares held by its equity and preference shareholders shall, without any further application, act, instrument, or deed, be deemed to have been automatically cancelled pursuant to the reduction of share capital contemplated in Clause 10.1.3 above.
- 11.2 The reduction of share capital as aforesaid of VHL shall be effected in terms of this Scheme and shall be sufficient compliance in terms of Sections 78, 100 to 104 of the Act and as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of Section 101 of the Act are not applicable. However the order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

## PART C - OTHER TERMS AND CONDITIONS

### 12 DISPENSATION FROM ADDITION OF THE WORDS "AND REDUCED"

- 12.1 The proposed reduction of share capital as envisaged in this Scheme shall not affect or impair in any manner the rights and interests of any of the creditors (whether secured or unsecured) of VHL, since VHL shall, post such reduction, still continue to be in a position to honour the dues of its creditors. Therefore, VHL seeks the liberty of the High Court for dispensation of the words "and reduced" to be added as suffix to its name, as contemplated in Sections 102(2) and 102(3) of the Act.

### 13 APPLICATION TO THE HIGH COURT

- 13.1 VHL shall make applications / petitions under Sections 391 to 394 read with Sections 78 and 100 to 104 and other applicable provisions of the Act to the High Court of Delhi for sanction of this Scheme.
- 13.2 The Demerged Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) either by themselves or through a committee appointed by them in this behalf, may, in their full and absolute discretion, make and/or assent to any alteration or modification to this Scheme, including but not limited to those which the Court and/or any other authority may deem fit to approve or impose and effect any other modification or amendment which the Boards in the best interest of the Demerged Company or Transferee Company may consider necessary.
- 13.3 The Demerged Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) are hereby authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authority or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

### 14 MODIFICATION/AMENDMENT TO THE SCHEME

- 14.1 VHL (by its Board of Directors) and WL (by its Board of Directors) in their full and absolute discretion may assent to any modification(s) or amendment(s) in this Scheme which the High Court or such other appropriate authority and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme.

- 14.2 VHL (by its Board of Directors) and WL (by its Board of Directors) are hereby authorised to give assent to any modification(s) or amendment(s) in the Scheme which may be considered necessary or desirable for any reason whatsoever and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever, the implementation of the Scheme shall not get adversely affected as a result of acceptance of any such modification(s) or amendment(s) by the Board of Directors of VHL or WL, who are hereby authorised to take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

## **15 CONDITIONALITY AND EFFECTIVENESS OF THE SCHEME**

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

- 15.1 The requisite consent, approval or permission of the Central Government or any other ministry, statutory and / or regulatory authority, which by law may be necessary for the implementation of this Scheme or any part thereof.
- 15.2 The approval of the requisite majority of the members and creditors of VHL as may be directed by the High Court or any other appropriate authority, as may be applicable.
- 15.3 Sanction of the High Court under Section 391 to 394 of the Act and necessary order or orders under Section 394 of the Act being obtained.
- 15.4 The certified copies of the Order of the High Court under Section 391 and 394 of the Act sanctioning the Scheme is filed with the Registrar of Companies at New Delhi as applicable.

## **16 REVOCATION AND SEVERABILITY**

- 16.1 In the event of any of the said sanctions and approvals referred to in Clause 15 not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court or such other appropriate authority and/or order or orders not being passed as aforesaid before 31 December 2011 or such other date as may be mutually agreed upon by the respective Board of Directors of VHL and WL who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect.
- 16.2 In the event of revocation under Clause 16.1 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se to VHL and WL, their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, WL shall bear all costs.
- 16.3 If any part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.
- 16.4 The Board of Directors of VHL and WL shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on VHL and/or WL.
- 16.5 VHL and WL shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the High Court or any other authority is not on terms acceptable to them.

## **17 COSTS, CHARGES & EXPENSES**

- 17.1 All costs, charge and duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of WL and VHL arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by WL.



## VINTON HEALTHCARE LIMITED

Regd Office: 26-D, Khizrabad, New Friends Colony, Near Lions Hospital, New Delhi 1100065

### SCHEDULE OF ASSETS AS ON JANUARY 1, 2011 OF VINTON HEALTHCARE LIMITED (TRANSFEROR COMPANY) TO BE TRANSFERRED TO WOCKHARDT LIMITED (TRANSFeree COMPANY)

#### PART-I

##### SHORT DESCRIPTION OF THE FREE HOLD PROPERTY OF THE TRANSFEROR COMPANY

All that piece and parcel of land or ground admeasuring 163600 sq. mtrs. (40.43 acres) or thereabouts comprising of land and buildings and erections (both present and future), plant and machinery (including near complete manufacturing plant) situated at Jagraon, Punjab more specifically described as situated at Village Aggwar Gujran & Agwar KhuazaBazzu, Jagraon, Ludhiana- Monga Road, Punjab. Khasra No.12//14, 16, 17, 22/2, 23, 24, 13//1, 12, 19, 20,21, 22, 12//12/2, 13, 18, 19/1, 3//21, 4//18/1, 23/2, 25, 12//6, 7, 8, 9/1, 15, 3/2, 4, 5, 13//2,9, 10,11, 26, Village Agwar Khuaza Bazzu, Khasra No.89//2, 3, 8/1, 9/1, 11/2, 12/2/1, 12/2/2, 13/2, 18, 19/1, 19/2, 20, 21, 22/1, 89//8/2, 9/2, 10/2, 11/1, 12/1/1, 12/2/1, 13/1, 89//2,3,8/1, 9/1, 90//6, 7, 14, 15, 16, 17, 25, 89//22/2, 23, 92//1, 2, 3, 26, Village Aggwar Gujran.

#### PART-II

##### SHORT DESCRIPTION OF THE LEASEHOLD PROPERTY OF THE TRANSFEROR COMPANY

NIL

#### PART-III

##### SHORT DESCRIPTION OF THE ALL STOCKS SHARES, DEBENTURES AND OTHER CHARGES IN ACTION OF THE TRANSFEROR COMPANY

Any licenses relating to the nutrition business and Jagraon Property

Dated this the 28<sup>th</sup> April, 2011  
By order of the Court

Sd/-  
Registrar (Co.)  
For Registrar General

Certified to be True Copy

Sd/-  
Examiner Judicial Department  
High Court of Delhi of  
Authorised Under Section 70  
Indian Evidence Act.



HIGH COURT, BOMBAY  
IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 67 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 9 OF 2015

Wockhardt Biopharm Limited

.....Petitioner/ Transferor Company

AND

COMPANY SCHEME PETITION NO. 68 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 10 OF 2015

Vinton Healthcare Limited

.....Petitioner/Transferor Company

In the matter of the Companies Act, 1 of  
1956;

AND

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

AND

In the matter of Scheme of Amalgamation  
and Arrangement of Wockhardt Biopharm  
Limited,

AND

Vinton Healthcare Limited,

WITH

Wockhardt Limited

AND

Their Respective Shareholders and  
Creditors

Called for hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocate for the Petitioners in both Petitions,  
Mr. K. R. Chaudhari i/b Dr. H. Chaturvedi for Regional Director in both Petitions.  
Mr. S. Ramakantha, Official Liquidator, present in both the petition

CORAM: S. J. Kathawalla, J.  
DATE : 20<sup>th</sup> March, 2015

PC:

1. Heard Learned Counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has controverted any averments made in the Petition.
2. The sanction of the Court is sought to a Scheme of Amalgamation and Arrangement of Wockhardt Biopharm Limited, and Vinton Healthcare Limited, with Wockhardt Limited and their respective shareholders and creditors, under sections 391 to 394 of the Companies Act, 1956.
3. The Learned Counsel for the Petitioners states that the First Transferor Company was carrying business of manufacturing, marketing, trading, packing of biotechnology products, pharmaceuticals and chemicals. Currently, there are no operations/ business in the First Transferor/ Company Petitioner. The Second Transferor Company was engaged in the business of manufacturing, trading, packing and distribution of foods and nutritional products but currently, there are no business operations and the Transferee Company engaged in business of technology intensive global pharmaceutical and biotechnology company it has 3 research centers globally and manufacturing facilities across India, USA, UK and Ireland. The proposed Scheme of Amalgamation will have the benefit that all the Companies are under same Management and the shareholding owned and controlled by same promoters and the amalgamation would provide for simplified corporate structure and Simplified corporate structure and improved management and Rationalization of administrative, operative and marketing cost and the restructuring would facilitate improvement in organizational capabilities arising from the pooling of human resources with diverse skills, talent and vast experiences and the combined operations are expected to give rise to capital efficiency and improved cash flows.
4. Learned Counsel for the Petitioner further states that the Board of Directors of the Petitioner Company have approved the said Scheme of Amalgamation by passing Board Resolution which are annexed to the Company Scheme Petition.
5. The Learned Advocate for the Petitioner further states that since the Petitioner Company is a Wholly owned subsidiary of the Transferee Company and all the shares of the Petitioner Company are presently held by the Transferee Company, Wockhardt Limited and also after the scheme being sanctioned, no new shares are required to be issued to the members of the Petitioner Company by the Transferee Company and the entire share capital of the Petitioner Company will stand cancelled and creditor are also not affected in any manner. In view of the judgement of this Court in Mahaamba Investment Limited v/s IDI Limited (2001) Company Cases 105, filing of Company Summons for Direction and Company Scheme Petition by Wockhardt Limited, Transferee Company was dispensed the vide order dated 16<sup>th</sup> January, 2015 passed in Company Summons for Direction Nos. 9 and 10 of 2015.

6. The Learned Counsel for the Petitioner further states that, Pctitioner Company has complied with all the directions passed in the Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the order passed in the Company Summons for Direction.
7. The Learned Counsel appearing on behalf of the petitioner has stated that the Petitioner Company has complied with all requirements as per direction of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, the Petitioner Company undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956/2013 and rules made there under whichever is applicable. The said undertaking is accepted.
8. The Official Liquidator has filed his report on 12<sup>th</sup> day of March, 2015 in Company Scheme Petition Nos. 67 and 68 of 2015 stating that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.
9. The Regional Director has filed an Affidavit on 18<sup>th</sup> day of March, 2015 stating therein, save and except as stated in paragraph 6, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, the Regional Director has stated that:-  
*That the Deponent further submits that the Tax issue if nay arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the petitioner company after giving effect to the Amalgamation. The decision of the Income Tax Authority is binding on the petitioner company.*
10. So far as the observation in paragraph 6 of the Affidavit of Regional Director is concerned, the Learned Counsel for the Petitioner Companies submit that the Petitioner Company is bound to comply with all applicable provisions of Income Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
11. The Learned Counsel for Regional Director on instructions of Mr. M. Chandana Muthu, Joint Director (Legal) in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings and submissions given by the Petitioner through their Counsel. All above undertakings are accepted.
12. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
13. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition Nos. 67 and 68 of 2015 is made absolute in terms of the prayer made under clauses (a) and (c) to the Petitions.
14. The Petitioner Company to file a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.
15. Petitioner is directed to file a copy of this order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with E Form INC- 28 in addition to physical copy as per the relevant provisions of the Companies Act, 1956/2013 whichever is applicable.
16. The Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the Order.

17. Filing and issuance of the drawn up order is dispensed with.
18. All concerned regulatory authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

Sd/-  
(S. J. Kathawalla, J.)

TRUE COPY  
Sd/-  
Mrs. K.M. RANE  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

TRUE COPY  
Sd/-  
Section Officer  
High Court, Appellate S/d  
Bombay

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 68 OF 2015.

CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO.10 OF 2015.

In the matter of the Companies Act, 1956  
(1 of 1956);

AND

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

AND

In the matter of Scheme of Amalgamation and  
Arrangement of WOCKHARDT BIOPHARM LIMITED,  
the First Transferor Company

AND

VINTON HEALTHCARE LIMITED, the Second Transferor  
Company

WITH

WOCKHARDT LIMITED, the Transferee Company

WOCKHARDT BIOPHARM LIMITED,

.....Petitioner Company.

Authenticated copy of the Minutes of the Order  
dated 20<sup>th</sup> March, 2015 alongwith Scheme

M/S.RAJESH SHAH & CO  
Advocates for the Petitioner  
16, Oriental Building,  
30, Nagindas Master Road,  
Flora Fountain,  
Mumbai – 400 001.

HIGH COURT, BOMBAY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 67 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 9 OF 2015

Wockhardt Biopharm Limited

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AND

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Vinton Healthcare Limited

.....Petitioner/Transferor Company

In the matter of the Companies Act,  
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AND

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the Companies Act, 1956

AND

In the matter of Scheme of Amalgamation  
and Arrangement of Wockhardt Biopharm  
Limited,

AND

Vinton Healthcare Limited,

WITH

Wockhardt Limited

AND

Their Respective Shareholders and  
Creditors



Called for hearing

Mr. Rajesh Shah i/b Rajesh Shah & Co., Advocate for the Petitioners in both Petitions.  
Mr. K. R. Chaudhari i/b Dr. H. Chaturvedi for Regional Director in both Petitions.  
Mr. S. Ramakantha, Official Liquidator, present in both the petition

CORAM: S. J. Kathawalla, J.  
DATE : 20<sup>th</sup> March, 2015

PC:

1. Heard Learned Counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has controverted any averments made in the Petitions.
2. The sanction of the Court is sought to a Scheme of Amalgamation and Arrangement of Wockhardt Biopharm Limited, and Vinton Healthcare Limited, with Wockhardt Limited and their respective shareholders and creditors, under sections 391 to 394 of the Companies Act, 1956.
3. The Learned Counsel for the Petitioners states that the First Transferor Company was carrying business of manufacturing, marketing, trading, packing of biotechnology products, pharmaceuticals and chemicals. Currently, there are no operations/ business in the First Transferor/ Company Petitioner. The Second Transferor Company was engaged in the business of manufacturing, trading, packing and distribution of foods and nutritional products but currently, there are no business operations and the transferee company engaged in business of technology intensive global pharmaceutical and biotechnology company it has 3 research centers globally and manufacturing facilities across India, USA, UK and Ireland. The proposed Scheme of Amalgamation will have the benefit that all the Companies are under same Management and the shareholding owned and controlled by same promoters and the amalgamation would provide for simplified corporate structure and Simplified corporate structure and improved management and Rationalization of administrative, operative and marketing cost and the restructuring would facilitate improvement in organizational capabilities arising from the pooling of human resources with diverse skills, talent and vast experiences and the combined operations are expected to give rise to capital efficiency and improved cash flows.
4. Learned counsel for the Petitioner further states that the Board of Directors of the Petitioner Company have approved the said Scheme of Amalgamation by passing Board Resolution which are annexed to the Company Scheme Petition.
5. The Learned Advocate for the Petitioner further states that the since the Petitioner Company is a Wholly owned subsidiary of the Transferee Company and all the shares of the Petitioner Company are presently held by the Transferee Company, Wockhardt Limited and also after the scheme being sanctioned, no new shares are required to be issued to the members of the Petitioner Company by the Transferee Company and the entire share capital of the Petitioner Company will stand cancelled and creditor are also not affected in any manner. In view of the judgement of this Court in Mahaamba Investment Limited v/s IDI Limited (2001) Company Cases 105, filing of Company Summons for Direction and Company Scheme Petition by Wockhardt limited, Transferee Company was dispensed the vide order dated 16<sup>th</sup> January, 2015 passed in Company Summons for Direction Nos. 9 and 10 of 2015.
6. The Learned Counsel for the Petitioner further states that, Petitioner Company has complied with all the directions passed in the Company Summons for Direction and that the Company Scheme Petition has been

filed in consonance with the order passed in the Company Summons for Direction.

7. The Learned Counsel appearing on behalf of the Petitioner has stated that the Petitioner Company has complied with all requirements as per direction of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, the Petitioner Company undertake to comply with all statutory requirements if any, as required under the Companies Act, 1956/2013 and rules made there under whichever is applicable. The said undertaking is accepted.
8. The Official Liquidator has filed his report on 12<sup>th</sup> day of March, 2015 in Company Scheme Petition Nos. 67 and 68 of 2015 stating that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.
9. The Regional Director has filed an Affidavit on 18<sup>th</sup> day of March, 2015 stating therein, save and except as stated in paragraph 6, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit, the Regional Director has stated that:-  
*That the Deponent further submits that the Tax issue if nay arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the petitioner company after giving effect to the Amalgamation. The decision of the Income Tax Authority is binding on the petitioner company.*
10. So far as the observation in paragraph 6 of the Affidavit of Regional Director is concerned, the Learned Counsel for the Petitioner Companies submit that the Petitioner Company is bound to comply with all applicable provisions of Income Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
11. The Learned Counsel for Regional Director on instructions of Mr. M. Chandana Muthu, Joint Director (Legal) in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with the undertakings and submissions given by the Petitioner through their Counsel. All above undertakings are accepted.
12. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy
13. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition Nos. 67 and 68 of 2015 is made absolute in terms of the prayer made under clauses (a) and (c) to the Petitions.
14. The Petitioner Company to file a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.
15. Petitioner is directed to file a copy of this order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with E Form INC- 28 in addition to physical copy as per the relevant provisions of the Companies Act, 1956/2013 whichever is applicable.
16. The Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the Order.
17. Filing and issuance of the drawn up order is dispensed with.

18. All concerned regulatory authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

Sd/-

(S. J. Kathawalla, J.)

TRUE COPY

Sd/-

Mrs. K.M. RANE  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

TRUE COPY

Sd/-

Section Officer  
High Court, Appellate S/d  
Bombay

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 68 OF 2015.

CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO.10 OF 2015.

In the matter of the Companies Act, 1956 (1 of 1956);

AND

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

AND

In the matter of Scheme of Amalgamation and Arrangement of  
WOCKHARDT BIOPHARM LIMITED, the First Transferor  
Company

AND

VINTON HEALTHCARE LIMITED, the Second Transferor  
Company

WITH

WOCKHARDT LIMITED, the Transferee Company

WOCKHARDT BIOPHARM LIMITED,

.....Petitioner Company.

Authenticated copy of the Minutes of the Order  
dated 20<sup>th</sup> March, 2015 alongwith Scheme

M/S.RAJESH SHAH & CO  
Advocates for the Petitioner  
16, Oriental Building,  
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Flora Fountain,  
Mumbai – 400 001.

**SCHEME OF AMALGAMATION AND ARRANGEMENT**

**OF**

**WOCKHARDT BIOPHARM LIMITED**

**AND**

**VINTON HEALTHCARE LIMITED**

**WITH**

**WOCKHARDT LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS & CREDITORS**

**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND THE RULES  
MADE THERE UNDER OR ANY OTHER SECTION FOR THE TIME BEING IN  
FORCE**

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**(i) PREAMBLE**

This Scheme of Amalgamation (the "Scheme") is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for amalgamation of Wockhardt Biopharm Limited And Vinton Healthcare Limited With Wockhardt Limited.

**(ii) RATIONALE AND PURPOSE OF THE SCHEME**

The integration of operations of Wockhardt Biopharm Limited and Vinton Healthcare Limited with Wockhardt Limited would have the following benefits:

- (i) Simplified corporate structure and improved management;
- (ii) Rationalization of administrative, operative and marketing cost;
- (iii) Post the amalgamation of Wockhardt Biopharm Limited and Vinton Healthcare Limited with Wockhardt Limited, Wockhardt Biopharm Limited and Vinton

Healthcare Limited will be dissolved. Consequently, there would be less regulatory and legal compliance obligations including accounting, reporting requirements, statutory and internal audit requirements, tax filings etc and therefore reduction in administrative costs;

- (iv) The restructuring would facilitate improvement in organizational capabilities arising from the pooling of human resources with diverse skills, talent and vast experiences; and
- (v) The combined operations are expected to give rise to capital efficiency and improved cash flows.

**(iii) PARTS OF THE SCHEME**

The Scheme is divided into the following parts:

Part I-dealing with definitions and share capital

Part II-dealing with amalgamation of Wockhardt Biopharm Limited and Vinton Healthcare Limited with Wockhardt Limited and

Part III-deals with General Terms and conditions

**Part I**  
**DEFINITIONS AND SHARE CAPITAL**

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**1. DEFINITIONS**

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

- 1.1. **'Act' or 'the Act'** means the Companies Act, 1956 and Companies Act, 2013 and rules made there under and shall include any statutory modification or re-enactment or amendment thereof for the time being in force. Any references to the provisions of the Companies Act, 1956 shall be construed to be references to the corresponding provisions of the said provisions in the Companies Act, 2013.
- 1.2. **'Appointed Date'** means, 1<sup>st</sup> day of April 2014 or such other date as the High Court may direct/fix and with effect from such Appointed Date, the scheme shall come into effect.
- 1.3. **'Board of Directors'** in relation to Wockhardt Biopharm Limited, Vinton Healthcare Limited and Wockhardt Limited respectively as the case may be, the Board of Directors of such an entity.
- 1.4. **'Effective Date'** means the date on which the certified true copies of the order of the High Court of Judicature at Bombay sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra and Mumbai by Wockhardt Biopharm Limited, Vinton Healthcare Limited and Wockhardt Limited.
- 1.5. **'First Transferor Company'** means Wockhardt Biopharm Limited or WBL.
- 1.6. **'Second Transferor Company'** means Vinton Healthcare Limited or VHL.
- 1.7. **'Transferee Company'** means Wockhardt Limited or WL.
- 1.8. **'Transferor Companies'** means collectively WBL and VHL.
- 1.9. **'Government'** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India.
- 1.10. **'High Court'** means either the Honourable Bombay High Court, as the case may be, or such other competent authority or the National Company Law Tribunal to whom this Scheme in its present form is submitted for sanctioning under Sections 391 to 394 of the Act or any other section for the time being in force.

- 1.11. 'Scheme of Amalgamation' or 'Scheme' or 'the Scheme' or 'this Scheme' means this Scheme of Amalgamation in its present form with any modification(s) made under Clause 17 of the Scheme as approved or directed by the High Court(s).
- 1.12. 'SEBI' means Securities and Exchange Board of India.
- 1.13. 'Undertaking' means and includes the whole of the undertaking / business of WBL and VHL, as a going concern, being carried on by WBL and VHL and shall include (without limitation):
- a) all the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, membership of professional associations, other associations and clubs, certificates, permissions, consents, approvals from state, central, municipal or any other authority for the time being in force, concessions (including but not limited to income-tax, excise duty, service tax or customs, and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trade-marks and other rights and licenses including any applications in respect thereof, tenancy rights, leasehold rights, premises, ownership flats, hire purchase, lending arrangements, benefits of security arrangements, security contracts, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts, deeds, instruments, agreements and arrangements, powers, authorities, permits, registrations / licenses etc including pertaining to expatriates, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of income-tax, minimum alternate tax ie tax on book profits, fringe benefit tax, value added tax, sales tax, service tax, etc), tax benefits, and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies, as on the date immediately preceding the Appointed Date;



- b) all the debts, present and future liabilities, payables, contingent liabilities, duties and obligations (including duties/ rights/ obligations under any agreement, contracts, applications, letters of intent or any other contracts) as on the date immediately preceding the Appointed Date; and
- c) all employees on the rolls of WBL and VHL on the closing hours of the date immediately preceding the Effective Date.

It is intended that the definition of Undertaking under this clause would enable the transfer of all property, assets, rights, duties, employees and liabilities of WBL and VHL into WL pursuant to this Scheme.

- 1.14. All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961 or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

## **2. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court(s), unless otherwise specified in the Scheme, shall be operative from the Appointed Date but shall be effective from the Effective Date.

## **3. SHARE CAPITAL**

- 3.1 The authorized, issued, subscribed and paid-up share capital of Transferee Company as on 31<sup>st</sup> March 2014 is as under:

<b>Particulars</b>	<b><u>Amount(Rs Cr)</u></b>
<b>Authorised Share Capital</b>	
250,000,000 Equity shares of Rs. 5/- each	125.00
2,000,000,000 Preference shares of Rs.5/- each	1,000.00
<b>Total</b>	<b>1,125.00</b>
<b>Issued, Subscribed and Paid up Capital</b>	
109,751,153 Equity shares of Rs. 5/- each fully paid up	54.88
121,454,927 Optionally Convertible Cumulative Redeemable Preference shares of Rs. 5/- each fully paid up	60.72
475,659,941 Non-Convertible Cumulative Redeemable Preference shares of Rs. 5/- each fully paid up	237.83
<b>Total</b>	<b>353.43</b>

3.2 The authorized, issued, subscribed and paid-up share capital of First Transferor Company as on 31<sup>st</sup> March 2014 is as under :

<b>Particulars</b>	<b><u>Amount(Rs Cr)</u></b>
<b>Authorised Share Capital</b>	
18,000,000 Equity shares of Rs. 10/- each.	18.00
6,000,000 Unclassified shares of Rs. 10/- each.	6.00
<b>Total</b>	<b>24.00</b>
<b>Issued, Subscribed and Paid up Capital</b>	
18,000,000 Equity shares of Rs. 10/- each	18.00
<b>Total</b>	<b>18.00</b>

The authorized, issued, subscribed and paid-up share capital of Second Transferor Company as on 31<sup>st</sup> March 2014 is as under :

<b>Particulars</b>	<b><u>Amount(Rs Cr)</u></b>
<b>Authorised Share Capital</b>	10.00
10,000,000 Equity shares of Rs. 10/- each.	
14,000,000 Redeemable Preference shares of Rs. 100/- each	140.00
<b>Total</b>	<b>150.00</b>
<b>Issued, Subscribed and Paid up Capital</b>	10.00
10,000,000 Equity shares of Rs. 10/- each	9.83
982,819 7% Non-Convertible Non – Cumulative Redeemable Preference shares of Rs. 100/- each	
<b>Total</b>	<b>19.83</b>

**Part II**  
**AMALGAMATION OF WOCKHARDT BIOPHARM LIMITED AND VINTON  
HEALTHCARE LIMITED WITH WOCKHARDT LIMITED**

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**4 TRANSFER AND VESTING OF UNDERTAKING**

4.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire undertaking of the Transferor Companies shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

(a) The Undertaking of the Transferor Companies comprising its business, all assets and liabilities of whatsoever nature and where-so-ever situated, shall, under the provisions of Sections 391 to Section 394 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in Sub-clauses (b), (c) and (d) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become as from the Appointed Date the undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Companies therein.

Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get effected the change in the title and the appurtenant legal right(s) upon the vesting of such properties (including immovable properties) of the Transferor Companies in accordance with the provisions of Sections 391 to 394 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

(b) All the movable assets including cash in hand, if any, of the Transferor Companies, capable of passing by manual delivery or constructive delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. The plant and machinery of the Transferor Companies, which are fastened to land and/or buildings continue to remain movable properties inter alia because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.

- (c) In respect of all movables other than those specified in sub-clause (b) above, including sundry debtors, deferred tax asset, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act,

instrument or deed, be transferred to and stand vested in and /or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of Sections 391 to 394 of the Act.

- (d) In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, belonging to the Transferor Companies, which require separate documents of transfer including documents for attainment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attainment or endorsement, as the case may be, as and when required.

- (e) With effect from the Appointed Date, all debts, liabilities (including deferred tax liability), duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of the Transferor Companies shall also, under the provisions of Sections 391 to Section 394 of the Act or any other section for the time being in force, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

However, the Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors/lenders of the Transferor Companies or in favour of any other party to the contract or arrangement to which the Transferor Companies is a party or any writing, as may be necessary, in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the

Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.

- (f) The transfer and vesting of the Undertaking of the Transferor Companies as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Companies.

Provided however that any reference in any security documents or arrangements (to which the Transferor Companies are party) pertaining to the assets of the Transferor Companies offered or agreed to be offered as security for any financial assistance or

obligations, shall be construed as reference only to the assets pertaining to the Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any) subsisting over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of the Transferor Companies vested in the Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation of the Transferor Companies with the Transferee Company under the Scheme and the Transferee Company shall not be obliged to create any further or additional security therefore after the Scheme has become operative.

- (g) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any Government body, local authority or by any other person and availed of to the Transferor Companies are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

(h) Loans, payables or other obligations, if any, due between or amongst the Transferor Companies and the Transferee Company shall stand discharged and there shall be no liability in that behalf with effect from the Appointed Date.

(i) Where any of the liabilities and obligations/assets attributed to the Transferor Companies on the Appointed Date has been discharged/sold by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.

(j) From the Effective Date and till such time that the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in its name, in so far as may be necessary.

4.2 The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies, to implement and carry out all formalities and compliances, if required, referred to above.

4.3 All registrations, benefits, incentives, exemptions etc which the Transferor Companies is eligible for and / or which are actually availed by the Transferor Companies [including Import Export Code, customs duty benefits on import of capital equipment and spares, customs duty benefits on import of raw materials and consumables, excise duty benefits on purchases made from local manufacturers in India, service tax registration, registrations / licenses etc pertaining to expatriates would be transferred to the Transferee Company on the Transferee Company intimating the concerned authority or undertaking the necessary actions for the transfer and / or the Board of the Transferee Company would be authorized to seek approval or enter into agreement with the concerned authority and /or undertake such other activity as is necessary for being eligible for such registrations, benefits, incentives, exemptions, etc as were availed by Transferor Companies.

## **5 LEGAL AND OTHER PROCEEDINGS**

5.1 Upon the Scheme becoming effective, all legal and other proceedings including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Transferor Companies pending and/or arising at the Appointed Date shall be continued and/or enforced by or against the Transferee Company only, to the exclusion

of the Transferor Companies in the manner and to the same extent as would have been continued and enforced by or against the Transferor Companies. On and from the Effective Date, the legal proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies.

Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.

5.2 On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in relation to the Transferor Companies in the same manner and to the same extent as would or might have been initiated by the Transferor Companies.

5.3 After the Appointed Date, if any proceedings are taken against the Transferor Companies above, the same shall be defended by and at the cost of the Transferee Company.

## **6 CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

6.1 Upon the coming into effect of this Scheme and subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, instruments, licenses, engagements, certificates, permissions, consents, approvals, concessions and incentives (including but not limited to tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), remissions, remedies, subsidies, guarantees and other instruments, if any, of whatsoever nature to which the Transferor Companies are party or to the benefit of which the Transferor Companies may be eligible and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies



to give effect to the provisions of this Scheme.

**7. SAVING OF CONCLUDED TRANSACTIONS**

7.1 The transfer of the Undertaking of the Transferor Companies under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

**8. STAFF, WORKMEN AND EMPLOYEES**

8.1 On the Scheme coming into effect, all staff, workmen and employees (including those on sabbatical / maternity leave) of the Transferor Companies in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Effective Date without any break or interruption in their service and on the terms and conditions not less favorable than those applicable to them with reference to the Transferor Companies on the Effective Date.

8.2 Their services shall have been continuous and shall not have been interrupted by reason of such transfer as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947.

8.3 In the event of retrenchment of such staff, workmen, or other employees, the Transferee Company shall be liable to pay compensation in accordance with law on the basis that the services of the staff, workmen, or other employees shall have been continuous and shall not have been interrupted by reason of such transfer;

8.4 It is expressly provided that, in so far as the Gratuity Fund, Provident Fund, Super Annuation Fund or any other Special Scheme(s)/Fund(s) (hereinafter referred as "Fund or Funds") created or existing for the benefit of the staff, workmen and employees of the Transferor Companies is concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Fund

or Funds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such Fund or Funds shall become those of the Transferee Company and all the rights, duties and benefits of the staff, workmen and employees of the Transferor Companies under such Fund or Funds shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Transferor Companies will be treated as having been continuous for the purpose of the said Fund or Funds and for other benefits such as long service awards.

8.5 In so far as the Fund or Funds created or existing for the benefit of the employees of the Transferor Companies are concerned upon the coming into effect of this Scheme, balances lying in the accounts of the employees of the Transferor Companies in the said Fund or Funds as on the Effective Date shall stand transferred from the respective Fund or Funds of the Transferor Companies to the corresponding Fund or Funds set up by the Transferee Company.

## **9 BUSINESS AND PROPERTY IN TRUST FOR TRANSFEEE COMPANY**

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

- (a) The Transferor Companies shall carry on and be deemed to have carried on its business and activities and shall stand possessed of whole of its undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- (b) Any income or profit accruing or arising to the Transferor Companies and all costs, charges, expenses and losses or taxes (including but not limited to advance tax, tax deducted at source, tax on book profits credit, taxes withheld/paid in a foreign country, etc), incurred by the Transferor Companies shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.

9.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Companies as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Companies, and all liabilities debts, duties, obligations which arise or accrue on or after the Appointed Date

shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.

## **10 CONDUCT OF BUSINESS TILL EFFECTIVE DATE**

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

(a) The Transferor Companies shall carry on its business with reasonable diligence and in the same manner as it has been doing hitherto, and the Transferor Companies shall not alter or substantially expand its business except with the written concurrence of the Transferee Company.

(b) The Transferor Companies shall not, without the written concurrence of the Transferee Company, alienate, charge or encumber its undertaking(s)/ business or part of its undertaking(s)/business, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Transferor Companies.

10.2 On and after the Appointed Date and until the Effective Date, the Transferor Companies shall not without the prior written approval of the Board of Directors of the Transferee Company except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

10.3 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the businesses carried on by the Transferor Companies.

10.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Companies.

## **11 COMPLIANCE WITH TAX LAWS**

11.1 This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961. If any terms or provisions of the

Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961.

- 11.2 On or after the Effective Date, the Transferor Companies and the Transferee Company are expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the Income-tax Act, 1961, Wealth-tax Act, 1957 (including for the purpose of re-computing tax on book profits, fringe benefit tax, wealth tax purposes and claiming other tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid, and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme from the Appointed Date.
- 11.3 All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Companies pending and/or arising at the Appointed Date and relating to the Transferor Companies shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies.

Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.

- 11.4 Any tax liabilities under the Income-tax Act, 1961, Wealth-tax Act, 1957, Customs Act 1962, Service Tax laws, applicable State Value Added Tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company. Any surplus in the provision for taxation / duties/ levies account including advance tax and tax deducted at source as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

11.5 Any refund under the Income-tax Act, 1961, Wealth-tax Act, 1957, Customs Act 1962, Service Tax laws, applicable State Value Added Tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the Transferor Companies and due to Transferor Companies consequent to the assessment made on Transferor Companies for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

11.6 All taxes including income-tax, tax on book profits, fringe benefit tax, sales tax, excise duty, custom duty, service tax, value added tax, etc paid or payable by the Transferor Company in respect of the operations and/ or the profits of the Undertaking before the Appointed Date, shall be on account of the Transferor Companies and, in so far as it relates to the tax payment (including, without limitation, income-tax, tax on book profits, sales tax, excise duty, custom duty, service tax, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Companies/ Transferee Company on payables to Transferee Company/ Transferor Companies respectively which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

11.7 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies under the Income-tax Act, 1961, Wealth-tax Act, 1957, service tax laws, customs law, state value added tax or other applicable laws / regulations dealing with taxes/ duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.

11.8 Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation income tax, service tax, applicable state value added tax etc.) to which the Transferor Companies is entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company.

## 12 **CONSIDERATION**

12.1 Transferor Companies are wholly owned (100%) subsidiaries of Transferee Company. Hence, on amalgamation no separate consideration shall be paid by the Transferee Company to the Shareholders of the Transferor Companies and no shares shall be issued by the Transferee Company to any person in consideration of or consequent upon the amalgamation and the paid up share capital of the transferor Companies shall be extinguished upon the scheme being effective.

### **13 DISSOLUTION OF THE TRANSFEROR COMPANIES**

13.1 On the Scheme coming into effect, the Transferor Companies shall, without any further actor deed, stand dissolved without winding up.

### **14 ACCOUNTING TREATMENT**

14.1 On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Companies in its books of account with effect from the Appointed Date.

14.2 Amalgamation of the Transferor Companies with the Transferee Company shall be accounted for in accordance with "Pooling of Interest Method" of accounting as per Accounting Standard - 14 as notified under Section 211 (3C) of the Act.

14.3 The Transferee Company shall upon the Scheme coming into effect and with effect from Appointed Date, record the assets, liabilities and reserves (excluding share capital) of the Transferor Companies vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Companies at the close of business of the day immediately preceding the Appointed Date

14.4 Amount of share capital of the Transferor Companies and Investment held by the Transferee Company in Transferor Companies shall be adjusted against each other and difference if any shall be debited to general reserve account and credited to capital reserve account of the Transferee Company.

14.5 All inter-corporate deposits, loans and advances, outstanding balances or other obligations between the Transferee Company and the Transferor Companies shall be cancelled and there shall be no obligation/outstanding in that behalf.

14.6 In case of any difference in accounting policy between the Transferee Company and the Transferor Companies, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

**15 AUTHORISED CAPITAL OF TRANSFEREE COMPANY POST MERGER**

Upon the scheme coming into effect, the Authorised share capital of the Transferee Company will be as follows:

<b>Particulars</b>	<b><u>Amount(Rs Cr)</u></b>
<b>Authorised Share Capital</b>	125.00
250,000,000 Equity shares of Rs. 5/- each	
2,000,000,000 Preference shares of Rs.5/- each	1,000.00
<b>Total</b>	<b>1,125.00</b>

Further, it is not intended to combine the Authorised share capital of the Transferor companies with that of the Transferee Company.

**Part-III**

**GENERAL TERMS AND CONDITIONS**

**16 APPLICATIONS TO THE HIGH COURT OR SUCH OTHER APPROPRIATE AUTHORITY**

- 16.1 The Transferee Company shall file this Scheme with the National Stock Exchange of India Limited and BSE Limited wherein their shares are listed in accordance with the Listing Agreements and obtain approval or deemed approvals of such Stock Exchanges, if any.
- 16.2 The Transferor Companies shall, with all reasonable dispatch, make applications / petitions to the High Courts or such other appropriate authority under Sections 391 to 394 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of the Transferor Companies as may be directed by the respective High Courts or such other appropriate authority.
- 16.3 On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of the Transferor Companies, whether at a meeting or otherwise, as directed by the High Court(s) or such other appropriate authority, the Transferor Companies shall, with all reasonable dispatch, apply to the High Court(s) or such other appropriate authority for sanctioning the Scheme under Sections 391 to 394 of the Act, and for such other order or orders, as the said High Court(s) or such other appropriate authority may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding-up.

**17 MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 17.1 The Transferor Companies and the Transferee Company, through their Directors or Committee of Directors or through any Director (s) or Company Secretary authorized in that regard, may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions which the High Courts and/or any other Authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in carrying out this Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect, subject to approval of Honorable High Court.



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

## 18 REVOCATION OF THE SCHEME

18.1 The Scheme is and shall be conditional upon and subject to :

- (a) The Scheme being agreed to by the requisite majority of the respective classes of members and/or creditors of each of the Transferor Companies as required under the Act and the requisite orders of the High Court being obtained;
- (b) Such other consents, sanctions and approvals as may be required by law in respect of the Scheme being obtained; and
- (c) The certified copies of the Orders of the High Courts sanctioning this Scheme being filed with the Registrar of Companies, Maharashtra Mumbai.

18.2 In the event of any of the approvals or conditions required to be obtained or fulfilled are not obtained or complied with within such period or periods as may be agreed upon by and between the Transferor Companies and the Transferee Company (through their respective Board of Directors) the Scheme shall become null and void and in that event no rights or liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Companies and the Transferee Company.

If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

18.1 Further, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if such boards are of view that the coming into effect of the Scheme in terms of the

provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on either or both of the companies.

- 18.3 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration imposed by the High Court(s) or any other authority is not on terms acceptable to them.

**19 COSTS, CHARGES AND EXPENSES**

All costs, charges, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Companies and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.

TRUE COPY

Sd/-

Mrs. K.M. RANE  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

Certified to be TRUE COPY

For RAJESH SHAH & CO.  
Sd/-

Advocate for the Petitioner/Applicant