

CERTIFIED TRUE COPY

For Reliance Retail Limited



**K. Sridhar
Company Secretary
FCS No. 4316**

Memorandum of Association

and

Articles of Association of

RELIANCE RETAIL LIMITED

CERTIFICATES



सत्यमेव जयते

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Office of the Registrar of Companies

100 Everest Building, Mumbai, Everest 100, Marine Drive, Maharashtra, 400002, India

Corporate Identity Number: **U01100MH1999PLC120563**

**(SECTION 66 OF THE COMPANIES ACT, 2013)
CERTIFICATE OF REGISTRATION OF ORDER CONFIRMING REDUCTION OF CAPITAL**

RELIANCE RETAIL LIMITED having by special resolution passed on 11/08/2023 reduced its capital, and such reduction having been confirmed by an order dated 05/01/2024 of the Hon'ble National Company Law Tribunal Mumbai passed in Petition number C.P.No.207/MB/2023

I hereby certify that a copy of the said order and Minutes approved by the Hon'ble National Company Law Tribunal of Mumbai showing the particulars of the capital and shares of the company as altered by the said order have this day been registered.

Given under my hand at Mumbai this SIXTEENTH day of JANUARY TWO THOUSAND TWENTY FOUR

Alpesh Maniya

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

Registrar of Companies

ROC Mumbai

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

RELIANCE RETAIL LIMITED

3rd Floor, Court House, Lokmanya Tilak Marg , Dhobi Talao,NA,MUMBAI,Maharashtra,India,400002., NA, MUMBAI, Mumbai City- 400002, Maharashtra, India



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

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U01100MH1999PLC120563

मैसर्स RELIANCE FRESH LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
RELIANCE FRESH LIMITED

जो मूल रूप में दिनांक उनतीस जून उन्नीस सौ निम्नानवे को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
Ranger Farms Private Limited

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उरो भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पटित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं सा का नि 507 (अ) दिनांक 24.6.1985 एच आर एन B80368582 दिनांक 30/07/2013 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
Reliance Retail Limited

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र मुंबई में आज दिनांक तीस जुलाई दो हजार तेरह को जारी किया जाता है।

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

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : U01100MH1999PLC120563

In the matter of M/s RELIANCE FRESH LIMITED

I hereby certify that RELIANCE FRESH LIMITED which was originally incorporated on Twenty Ninth day of June
Nineteen Hundred Ninety Nine under the Companies Act, 1956 (No. 1 of 1956) as Ranger Farms Private Limited
having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of
the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act,
1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E)
dated 24/06/1985 vide SRN B80368582 dated 30/07/2013 the name of the said company is this day changed to
Reliance Retail Limited and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Mumbai this Thirtieth day of July Two Thousand Thirteen.

Signature of
Registrar of Companies,
Maharashtra, Mumbai

Registrar of Companies, Maharashtra, Mumbai

कम्पनी रजिस्ट्रार, महाराष्ट्र, मुंबई

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

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

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:
Reliance Retail Limited
3rd Floor, Court House,, Lokmanya Tilak Marg , Dhobi Talao,
MUMBAI - 400002,
Maharashtra, INDIA





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

कारपोरेट पहचान संख्या : U01100MH1999PLC120563

(कम्पनी अधिनियम, 1956 की धारा 103(4))

पूँजी घटाने की पुष्टि से संबंधित माननीय उच्च न्यायालय के आदेश को रजिस्ट्रीकृत करने से संबंधित प्रमाण पत्र ।

भारती RELIANCE FRESH LIMITED

द्वारा विशेष विनिश्चय दिनांक 10/01/2013 पारित करके इसकी पूँजी को घटाने और इस घटोतरी की पुष्टि, माननीय High court of Judicature at Bombay, Mumbai, Maharashtra

ने एक आदेश दिनांक 13/06/2013 को याचिका संख्या Petition No.134 of 2013

में पारित करके कर दी है। मैं, एतद्वारा स्थापित करता हूँ कि उक्त आदेश की एक प्रतिलिपि और माननीय उच्च न्यायालय Mumbai, Maharashtra

द्वारा अनुमोदित कार्यकृत, जिसमें, उक्त आदेश द्वारा कम्पनी की पूँजी और शेयर के परिवर्तित विवरणों को दर्शाया गया है, उनको आज रजिस्ट्रीकृत कर लिया गया है।

मुंबई में, यह प्रमाण-पत्र, आज दिनांक पच्चीस जुलाई दो हजार तेरह को जारी किया जाता है।

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

Corporate Identity Number: U01100MH1999PLC120563

(SECTION 103(4) OF THE COMPANIES ACT, 1956)

CERTIFICATE OF REGISTRATION OF ORDER OF THE HON'BLE HIGH COURT
CONFIRMING REDUCTION OF CAPITAL

M/s RELIANCE FRESH LIMITED having by special resolution passed on 10/01/2013 reduced its capital, and such reduction having been confirmed by an order dated 13/06/2013 of the Hon'ble High court of Judicature at Bombay, Mumbai, Maharashtra passed in Petition number Petition No.134 of 2013.

I hereby certify that a copy of the said order and Minutes approved by the Hon'ble High Court of Mumbai, Maharashtra showing the particulars of the capital and shares of the company as altered by the said order have this day been registered.

Given at Mumbai this Twenty Fifth day of July Two Thousand Thirteen.


Signature of
Rajender Singh Meena

Registrar of Companies, Maharashtra, Mumbai
कम्पनी रजिस्ट्रार, महाराष्ट्र, मुंबई

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

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

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता .

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

RELIANCE FRESH LIMITED

3rd Floor, Court House,, Lokmanya Tilak Marg , Dhobi Talao,

MUMBAI - 400002,

Maharashtra, INDIA



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

कम्पनी अधिनियम, 1956 की धारा 18 (1) (क)

उद्देश्य-खंडों में परिवर्तन की पुष्टि हेतु विशेष विनिश्चय के पंजीकरण का प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U01100MH1999PLC120563

मैसर्स RELIANCE FRESH LIMITED

के अंशधारकों ने दिनांक 29/06/2012 को आयोजित की गई वार्षिक / असाधारण बैठक में एक विशेष विनिश्चय पारित करके कम्पनी अधिनियम, 1956 (1956 का 1) की धारा 18 (1) का अनुपालन करते हुए अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है।

मैं, एतद्वारा सत्यापित करता हूँ कि उक्त विशेष विनिश्चय की प्रतिलिपि, यथा परिवर्तित संगम-ज्ञापन के साथ, आज पंजीकृत कर ली गई है।

मुंबई में यह प्रमाण-पत्र, आज दिनांक छह जुलाई दो हजार बारह को जारी किया जाता है।

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

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956

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

Corporate Identity Number : U01100MH1999PLC120563

The share holders of M/s RELIANCE FRESH LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 29/06/2012 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956).

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

Given at Mumbai this Sixth day of July Two Thousand Twelve.

Registrar of Companies, Maharashtra, Mumbai

कम्पनी रजिस्ट्रार, महाराष्ट्र, मुंबई

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

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

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:
RELIANCE FRESH LIMITED
3rd Floor, Court House,, Lokmanya Tilak Marg , Dhobi Talao,
MUMBAI - 400002,
Maharashtra, INDIA



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

कम्पनी अधिनियम, 1956 की धारा 18 (1) (क)
उद्देश्य-खंडों में परिवर्तन की पुष्टि हेतु विशेष विनिश्चय के पंजीकरण का प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U01100MH1999PLC120563

मैसर्स RELIANCE FRESH LIMITED

के अंशधारकों ने दिनांक 28/05/2009 को आयोजित की गई वार्षिक / असाधारण बैठक में एक विशेष विनिश्चय पारित करके कम्पनी अधिनियम, 1956 (1956 का 1) की धारा 18 (1) का अनुपालन करते हुए अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है।

में, एतद्वारा सत्यापित करता हूँ कि उक्त विशेष विनिश्चय की प्रतिलिपि, यथा परिवर्तित संगम-ज्ञापन के साथ, आज पंजीकृत कर ली गई है।

मेरे हस्ताक्षर द्वारा मुंबई में यह प्रमाण-पत्र, आज दिनांक तीन जून दो हजार नौ को जारी किया जाता है।

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

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956
Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)

Corporate Identity Number : U01100MH1999PLC120563

The share holders of M/s RELIANCE FRESH LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 28/05/2009 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956).

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

Given under my hand at Mumbai this Third day of June Two Thousand Nine.




K. S. SINGH
कम्पनी रजिस्ट्रार, Registrar of Companies
महाराष्ट्र, मुंबई
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

RELIANCE FRESH LIMITED

Reliance Corporate Park, Building No. 4, Ground Floor, 'C' Wing, Thane-Belapur Road, Ghansoli,
Navi Mumbai - 400701,
Maharashtra, INDIA

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

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U01100MH1999PLC120563

मैसर्स RANGER FARMS LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
RANGER FARMS LIMITED

जो मूल रूप में दिनांक उनतीस जून उन्नीस सौ नित्यानवे को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
RANGER FARMS PRIVATE LIMITED

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. नि 507 (अ) दिनांक 24.8.1985 एस.आर.एन. A29759529 दिनांक 18/01/2008 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
RELiance FRESH LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा मुंबई में आज दिनांक अठारह जनवरी दो हजार आठ को जारी किया जाता है।

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

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : U01100MH1999PLC120563

In the matter of M/s RANGER FARMS LIMITED

I hereby certify that RANGER FARMS LIMITED which was originally incorporated on Twenty Nineth day of June Nineteen Hundred Ninety Nine under the Companies Act, 1956 (No. 1 of 1956) as RANGER FARMS PRIVATE LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A29759529 dated 18/01/2008 the name of the said company is this day changed to RELIANCE FRESH LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given Under my hand at Mumbai this Eighteenth day of January Two Thousand Eight.



(MILIND VITTHALRAO CHAKRANARAYAN)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies

महाराष्ट्र, मुंबई
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

RELiance FRESH LIMITED

4TH FLOOR, "BRINDAVAN", SHRIRAM MILLS COMPOUND,, GANPATRAO KADAM MARG, WORLI,
MUMBAI - 400013,
Maharashtra, INDIA

**GOVERNMENT OF INDIA
MINISTRY OF COMPANY AFFAIRS**

Maharashtra, Mumbai

Everest , 100, Marine Drive, Mumbai - 400002, Maharashtra, INDIA

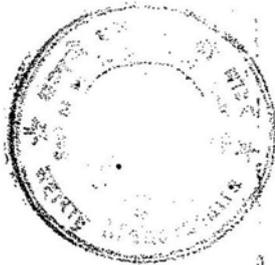
Corporate Identity Number : **U01100MH1999PLC120563**

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

IN THE MATTER OF M/s RANGER FARMS PRIVATE LIMITED

I hereby certify that RANGER FARMS PRIVATE LIMITED which was originally incorporated on TWENTY NINTH day of JUNE NINETEEN NINETY NINE under the Companies Act, 1956 (No. 1 of 1956) as RANGER FARMS PRIVATE LIMITED having duly passed the necessary resolution on 20/12/2006 in terms of Section 31/ 21 read with Section 44 of the Companies Act, 1956; the name of the said company is this day changed to RANGER FARMS LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Mumbai this TENTH day of FEBRUARY TWO THOUSAND SEVEN.




(VEERASWAMY SELVARAJ)

by **Registrar of Companies**
Maharashtra, Mumbai



सत्यमेव जयते

फारम आई. आर.

Form I.R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता. _____ की सं. _____
No. 11-120563 of Date 1999

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 RANGER FARMS PRIVATE LIMITED

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

मेरे हस्ताक्षर से आज ता. _____ को दिया गया।
Given under my hand at MUMBAI this TWENTYNINTH
day of JUNE One thousand nine hundred and NINETYNINTH



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

जे. एस. सी. 1
J. S. C. 1
119/एच. एफ. एच./सिविल/कल/82-20,000-3-4-93, नासपुरा
119/MFS/Civil/Ca/92-20,000-3-4-93-GIPG.

MEMORANDUM OF ASSOCIATION

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

RELIANCE RETAIL LIMITED

- I. The name of the Company is Reliance Retail 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. **MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**
 1. To initiate, acquire, set up, construct, establish, maintain, run, operate and manage business centres, hyper markets, departmental stores, super markets, shopping malls, discount stores, speciality stores, shopping outlets, convenience stores, wholesale, cash and carry operations, non-store formats, farms, estates, plantations, commodity exchanges, warehouses, distribution centers, collection centers, agricultural input and extension centers, marketing terminals, mandis, pumps, terminals, depots, showrooms, storage tanks and offices, any or all of them within or outside India and for the purpose to give or take on lease or hire, to deal in, trade, import, export, market, distribute, process, pack, re-pack, brand, label, move, preserve, cold storage, manufacture, produce, fabricate, repair, wholesale, retail, exchange, stock, supply, indent or otherwise and to carry on the business of manufacturers, traders, dealers, agents, factors, importers, exporters, merchants, franchisees, selling agents, commission agents, sales organizers, distributors, stockists, del-credre agents, C & F agents, wholesalers, retailers, developers, processors, brand and trademark owners and holders, label owners and holders, logo owners and holders, franchise holders, designers, repairers, maintainers, consultants, service providers, of all commercial, industrial, scientific, household, domestic, forest, agricultural, food products, raw as well as processed, of all kinds, consumer goods, consumer durables and other consumers' necessities of every kind, make and sorts, on ready or forward basis, including foods and beverages of all kinds, groceries, spices and condiments, fruits & vegetables, cookeries, bakery, confectionery, dairy and dairy products, meat and poultry products, sea foods, flowers, cosmetic, pharmaceuticals, automobile, hardware, plants, machineries, equipments, apparatus, gadgets, appliances, computer hardware, computer parts, softwares, components, communication products and accessories of all kinds, communication equipments, Information Technology products, steel products, accessories, spare parts, tea, coffee and jute, Fashion, Apparels, Garments, Textiles, finished / grey fabrics Knitted, Hosiery, linens, furnishing fabrics, fabrics of all kinds, readymade garments and clothing, lingerie, leather, rubber and plastic products, footwear, Music, Books, Watches, Gifts, Toys, Stationery, glass wares, enamel wares, earthenwares, porcelain wares, plastics, rubber, handicrafts, antiques, accessories, home decor items, furniture, personal care products, metals, precious and semi precious stones, jewellery, paper and paper products, perfumery, engineering goods, electrical & electronic goods, and all other types of general goods, consumables, materials, accessories, commodities and equipment or any other general merchandise or services of every nature, types and description, packing materials / building materials of all kinds, all Chemicals, fertilizers, Pesticides, Insecticides, other similar products, all kinds of petroleum, petroleum products and by products, petrochemicals, fuel, oil, crude including other related products, dyes, paints, agricultural inputs and to undertake all agricultural and allied activities, dairy, poultry, animal husbandry, fishery, processing, cold storage, packaging activities and to deal in, trade, export or import including raising of crops and plantations and to produce all types of agricultural produce, manufacture of all agro based products, processed foods, dairy products, animal products, sea foods and to set up, acquire, merge, enter into joint ventures, invest, buy, sell, dispose of, contract, sub contract in whole or in part for this purpose.
 2. To render or undertake all services including advertising, auctioneers, business auxiliary services, business exhibition services, catering, consultancy, clearing and forwarding, commercial and industrial construction, clubs or association services, convention services, courier, cybercafe, laundry and dry-cleaning, entertainment,

event management, fashion designing, health and fitness, financial & banking, lending, micro financing, venture capital funding, florist, insurance, interior decorators, beauty, haircare, mailing list compilation and mailing, kinko, aviation, audio and video recording, music, market research, information technology services of any kind, packaging, photography, printing, opticals/optometry, tailoring, telecom, travel, insurance, credit/debit cards services, training, logistics, cargo handling, storage and warehousing incl. cold storage, shipping, transportation, repairs and servicing of all goods and vehicles, installation and after sales services and to purchase, conduct, franchise, manage, acquire, construct, erect, equip, promote, finance, or in any other way and in all aspects carry on business of or deal in restaurants, fast food restaurants, cafes, refreshment rooms, cafe, ice cream parlors, video parlors, food storage, processing and production facilities, commissaries, hotels, motels, lodging and boarding houses, taverns, bars, discotheques, night clubs, refreshment rooms, flight kitchens, catering services, house keepers, clubs, holiday homes, resorts, camps in any part of the world and to carry on the business of operating multiplex entertainment complexes, including cinemas, theatres, family entertainment and amusement centers, food courts, restaurants, and all kinds of business relating to movie exhibition, entertainment, hotel and tourism related industries and to secure, develop, operate, collaborate, construct, maintain, manage, promote, own, procure, utilise and/or to initiate, either alone or in association with others in with tie-ups, agreements, joint ventures, collaborations, or otherwise multiplex entertainment complexes, including multiple cinema, three dimensional cinemas, seat simulators, etc. inside and/or outside India, to carry on the business of providing leisure entertainment, cultural promotion, amusement, sports health units, including amusement arcades, food courts, food plazas, fashion outlets, video parlours, go-karting facilities, bowling, golf courses, fitness centers, health centers, weight reduction centers, restaurants, eateries, fast-food centers, etc., as well as carry on all kinds of like business relating to entertainment, recreation, amusement, games sports, hotels, resorts, holiday resorts, motels, restaurants and tourism related industries and to set up, acquire, merge, enter into joint ventures, invest, buy, sell, dispose of, contract, sub contract in whole or in part for this purpose.

- 2A. *To deal in financial products and all kinds of derivative transactions including futures, forwards, options, calls, swaps, rights or interest in securities, currency futures and options, currency swaps, interest rate swaps, spot trading, forward commodity contracts, commodity future/swaps, commodity options, carbon credits, whether for the purpose of trading, investment, hedging, arbitrage or for any other purpose.

B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

3. To establish, lease, operate and maintain infrastructure for distribution such as cold storage reefer containers, refrigerated vehicles, retail units for marketing of the produce of the Company.
4. To form, establish, promote subsidise and assist or concur in establishing or promoting any company or companies and partnership firms having similar objects in any manner as may be thought fit in connection with any of the above objects of the Company and for the purpose of acquiring all or any of the properties, rights and liabilities of the Company and to place or guarantee the placing of, subscribe for or otherwise acquire all or any part of the shares.
5. To insure with any other company or person against losses, damages, risks and liabilities of all kinds which may affect this Company.
6. To search for and to purchase, protect, prolong, renew or otherwise acquire from any Government, state or authority any patents, protection, licences, concessions, grants, decrees, rights, powers and privileges whatsoever which may seem to the Company capable of being turned to account to work, develop, carry out exercise and turn to account the same.
7. To apply for, promote, and obtain any act of Parliament or Legislature, charter, privilege, concession, licence or authorisation of Government, State or Municipality provisional order or licence of the Board of Trade or other authority for enabling the Company to carry any of the objects in to effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company.
8. To hold, use, work, manage, improve, carry on and develop the lands and movable and immovable estate or property and assets of any kind of the Company or any part thereof.
9. To let, mortgage or sell or otherwise dispose of any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as may be thought fit and to accept payment or satisfaction for the same in cash or otherwise.

**Inserted vide Special resolution passed at the Extra Ordinary General Meeting held on June 29, 2012.*

10. To sell, mortgage or otherwise to deal with or dispose of the property, assets or undertaking of the Company or any part thereof, for such consideration as the Company may think fit and in particular for shares, stocks debentures and other securities of any other company having objects altogether or in part similar to those of the Company.
11. To enter into partnership or into any arrangements for sharing of profits, amalgamation, union of interest, reciprocal concession or co-operation with any person, partnership or Company and to promote and aid in promoting, constituting, forming and organising companies or partnerships of all kinds for the purpose of acquiring and undertaking any property and liabilities of the Company. And also to pay for any properties, rights or privileges acquired by this Company either in shares of the Company or partly in shares and partly in cash or otherwise and to give shares or stock of this Company in exchange for Shares or stock of any other Company.
12. To enter into any arrangements with any Government or authorities supreme, municipal local or otherwise, or any person or company that may seem conducive to the Company's Objects or any of them to obtain from any such Government, authorities, person or company any rights, privileges, charters, contracts, licences and concessions which the Company may think desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges, charters, contracts, licences and concessions.
13. To lend, invest or otherwise employ or deal with surplus money belonging to or entrusted to the Company in securities and shares, debentures, debenture-stocks, bonds, real estate or other movable or immovable property or with or without security upon such terms and in such manner as may be thought proper and from time to time to vary such transactions and investments in such manner as the directors may think fit subject to the provisions of the Companies Act, 1956.
14. To pay, or satisfy the consideration for any property rights, shares, securities or assets whatsoever which the company is authorised to purchase or otherwise acquire either by payment in cash or by the issue of shares, or other securities of the Company or in such other manner as the Company may agree or partly in one mode and partly in another or others.
15. To draw, make, accept, endorse, discount, execute, issue, negotiate, assign and otherwise deal with cheques, drafts, bills of exchange, promissory notes, hundies, debentures, bonds, bills of lading, railway receipts, warrants and all other negotiable or transferable instruments.
16. To open account or accounts with any firm or with any bank or banks or bankers or shroffs and to pay into and to withdraw money from such accounts.
17. To apply for tender, purchase or otherwise acquire any contracts, sub-contracts, licences and concessions for or in relation to the objects or business herein mentioned or any of them, and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
18. To plan, establish, develop, provide, operate, maintain, distribute, all types of Telecommunication Services including Pager System, Telephone, Cellular Device, Telex, Wireless, Data Communication, Telematic and other forms of communications and to provide service Telecommunication facilities of all types in the field of local network services, long distance transmission system and overseas communication systems as per standards and norms of services in the local, overseas, space and long distance communication.
19. To employ experts to investigate and examine into the conditions, prospects, value, charter and circumstances of any business concerns and undertakings having similar objects and of any assets, property or rights.
20. To carry on 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 to enter into any arrangement with such subsidiary company for taking the profits and bearing the losses of any business branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangement 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.
21. To nominate any Directors or Managers of any subsidiary company or of any other company in which this company is or may be interested.

22. To take part in the management, supervision and control of the business or operations of any company or undertaking having similar objects and for that purpose to appoint and remunerate any directors, trustees, accountants or other experts.
23. 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 in such preliminary expenses all or any part of the cost and expenses of owners of business or property acquired by the Company.
24. To make and/or receive donations, gifts or income to or from such persons, institutions or Trusts and in such cases and whether of cash or any other assets as may be thought to benefit the Company or any other objects of the company or otherwise expedient and also to remunerate any person or corporation introducing or assisting, in any manner the business of the Company.
25. To establish and support or aid in the establishment of and support associations, institutions, companies, societies, funds, trusts and conveniences for the benefit of the employees or ex-employees or of persons having dealings with the Company or the dependents, relatives or connections of such persons and in particular friendly or other benefit societies and to grant pensions, allowances, gratuities and bonuses either by way of annual payments or by way of lump sum and to make payments towards insurance and to form and contribute to provident and benefit funds, to or such persons.
26. To form, subscribe or contribute to or otherwise to assist, aid or guarantee money to public, charitable, benevolent, religious, scientific, national, or other institutions, funds, objects or purposes and to any other institutions, funds, objects or purposes which in the opinion of the Board of Directors are likely to promote the interests or the business of the Company and/or to further its objects and/or to any other institutions, funds, objects or purposes whatsoever directly relating to the business of the Company.
27. To create any depreciation fund, reserve fund, sinking fund, insurance fund, educational fund or any other special fund or reserves whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or for any other purposes conducive to the interest of the Company.
28. To amalgamate with any other company having similar objects.
29. In the event of winding up to distribute any of the property of the Company amongst the members in specie or kind subject to the provisions of the Companies Act, 1956.
30. To place, to reserve or to distribute as bonus shares among the members or otherwise to apply as the Company may from time to time think fit, any money received by way of premium on shares or debentures issued at a premium by the Company and any money received in respect of forfeited shares and moneys arising from the sale by the Company or forfeited shares, subject to Section 78 of the Companies Act, 1956.
31. To accumulate capital from the profits of the Company for any of the purposes of the Company and to use and appropriate the same or any of the Company's assets either conditionally or unconditionally to specific purposes.
32. To provide for the welfare of Directors or employees of the Company or its predecessors in business and the wives, widows and families or the dependants or connections of such persons by building or contributing to the building of houses or dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of institution, amusement, hospitals and dispensaries, medical and other attendance and assistance as the Company shall think fit.
33. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances, or emoluments to any persons who are or were at any time in the employment or service of the company or who are or were at any time Directors or officers of the Company and the wives, widows, families and dependants of any such persons, and also to establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the company and make payments to or towards the insurance of any such person as aforesaid.

34. To subscribe for, take or otherwise acquire and hold shares, stocks, debentures or other securities of any other company having objects altogether or in part similar to those of the Company.
35. To acquire and undertake or takeover the whole or part of the business or all or any part of the property and liabilities and goodwill of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on or which can be carried on in conjunction therewith financially or otherwise and in particular by subscribing for shares, stock, debentures, debenture-stock or other securities of such company.
36. To undertake and execute any trust, the undertaking of which may seem to the Company desirable either gratuitously or otherwise.
37. In relation with the business of the Company to guarantee the payment of money secured or unsecured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stocks, contracts, mortgages, charges, obligations, instruments and securities of any company or any authority, supreme, municipal, local or otherwise or of any person howsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
38. To vest any movable or immovable property, rights or interests acquired by or belonging to the company in any person or company and with or without any declared trust in favour of the company, subject to the provisions of the law .
39. To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money of or any such person or companies and generally to give guarantee and indemnities.
40. To procure the Company to be registered or recognised in any foreign country or place in any part of the world.
41. To procure the recognition of the Company in country, state or place outside India, and to establish and maintain local registers of any branch, places of business in any part of the world.
42. To aid, pecuniarily or otherwise, any association, body or movement having for an object, the solution, settlement of labour problems or troubles or the promotion of industry or trade.
43. To enter into negotiations with and enter into arrangements and contracts and conclude the same with foreign and/or Indian parties and other persons for obtaining by grant, licence and/or on other terms, formulate and other rights and benefits, and to obtain technical and engineering information, assistance, and service, know-how, and expert advice for installation of plant and machinery, production and manufacture of any products.
44. To pay for technical know-how, technical and engineering assistance and information and/or service rights or privileges acquired by the Company either in shares of the Company or partly in shares or partly in cash or otherwise.
45. To pay to promoters such remuneration and fees and otherwise remunerate them for their time and for the services rendered by them.
46. To act as agents, brokers and as trustees and to undertake and perform sub-contracts and also to act in any of the business of the Company through or by means of agents, brokers, sub-contractors or others.
47. To establish, provide, maintain and conduct or otherwise, subsidise, assist research laboratories and experimental workshops for scientific and technical research and experiments, and undertake and carry on all scientific and technical, experiments and tests of all kinds and to promote studies and research; both scientific and technical investigations and inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing the remuneration of scientific or technical professors or teachers and by providing for the award or exhibitions, scholarships, prizes and grants to students of independent students or otherwise and to encourage, promote and reward studies, researches, investigations experiments, tests and inventions of any kind that may be considered likely to assist any kind of the business which the Company is authorised to carry on.
48. Subject to Rules and directives issued by Reserve Bank of India to borrow or raise or secure the payment of money or to receive money on deposit at interest for any of the purposes of the Company and at such time and from time to time and in such manner as may be thought fit and in particular by the issue of debenture, or debenture-stocks

convertible into shares of this or any other company or perpetual annuities and as security for any such money so borrowed, raised or received for any such debentures or debenture stock so issued to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the Company present or future including its uncalled capital by special assignments or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient and to purchase, redeem, or pay-off any such securities, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company as the case may be provided the Company shall not carry on banking business as defined in the Banking Regulation Act, 1949.

49. To form, constitute, float, lend money to assist and control similar companies, associations or undertakings whatsoever.
50. To purchase, sell, export, import, manufacture, maintain, repair, convert, alter, let out on loan or deal in explosives, ammunitions, water proofing, plant and equipment, cranes, hoists, tools and tackles, appliances, instruments, implements, rolling stock, machinery of all kinds, and any of the business which the Company is authorised to carry on or usually dealt with by person engaged therein.

C. OTHER OBJECTS :

51. To establish experimental farms and research stations any where in India or outside India for conducting experiments test and research for developing better quality of seeds, foodgrains and agricultural products and also for finding other ways and means of improving other agricultural crops, produce, seeds, fooder, crops and cattle feed of all kinds.
52. To carry on in India and in any part of the world, the business of manufacturing, processing, converting, producing, formulating, using, buying, acquiring, refining, storing, packaging, selling, transporting, distributing, importing, exporting, and disposing all classes and kinds of fertilisers, agro-chemicals and their by-products, derivatives, mixtures thereof and also dealing in all kind of artificial and other fertilisers .
53. To aid, assist, promote, develop and manufacture, repair, maintain, assemble, alter, agricultural implements, agricultural machinery and technological development in equipments used in agricultural field and to organise, conduct, or manage engineering or repair shop or workshops of all description and to manufacture, import, export, buy, sell or otherwise deal in , agricultural machinery, of all kinds and to adopt such means of making known the uses thereof.
54. To carry on the business of a water management in all its branches and to sink wells and shafts and to make, build and construct, lay down and maintain dams, reservoirs, water-works, cisterns, culverts, filter- beds, mains and other pipes and fittings and appliances, and to execute and do all other acts and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing in water needed to carry on the business of the Company.
55. To purchase, breed, raise, produce or otherwise acquire, invest in own, hold, use, lease, mortgage, pledge, sell, assign, transfer or otherwise dispose of trade, deal with any and all kind of animals and their products which are needed for the purpose of agriculture and farming.
56. To generate electrical power by conventional, non-conventional methods including coal, gas lignite, oil, bio-mass, waste, thermal, solar, hydel, geo-hydal, wind, and tidal source required for the purpose of agriculture and farming.
57. To extract by-products and derivatives, whether edibles, pharmaceutical, medical, or of any kind or nature whatsoever and food preparation of every kind and description.
58. To carry on business of buying, importing, selling, exporting, leasing, producing, bottling, storing, distributing and otherwise dealing in all kinds of petroleum products, chemicals, chemical products, natural gas and other natural resources, related equipment including cylinders, valves, regulators and other accessories.
59. To carry on the business of all kinds of agency and to carry out agreements and sole agency or other agreements and may appoint sub-agents or distributing agents and to take agencies of any firm, company or companies within India or abroad, and to appoint agents for its own business.

60. To act as agents or brokers and as trustees for any person or company and to undertake and perform subcontracts and to do all or any of the above things in any part of the world and as principals, agents, contractors, trustees or otherwise and by or through agents, subcontractors or trustees or otherwise and either alone or jointly with others.
61. To carry on the business of transportation of goods by sea, road and air.
62. To construct, acquire, establish, provide, maintain and administer factories, estates, railways, buildings, water reservoirs, sheds, channels, pumping installations, generating installations, pipelines, garages, storage's and accommodation of all descriptions.
63. To explore, deal, develop, produce, purchase or otherwise acquire petroleum crude oil, natural gas associated gas, all kinds of hydrocarbons and mineral substances, both on-shore and off-shore, within the territorial jurisdiction of the Indian Union and anywhere in the World and to manufacture, refine, extract, treat, reduce, distill, blend, purify and pump, store, hold, transport, use, experiment with, dispose of, import, export and trade and generally deal in any and all kinds of petroleum crude oil, spirit, diesel, kerosene, coal, natural gas, Liquefied Natural Gas (LNG), Lubricating Oil Base Stocks, Lubricating Oil Additives and Chemicals, associated gas, petroleum products, oil, gas and other volatile substances, asphalt, bitumen, bituminous substances, carbon, carbon black, hydro carbon and mineral substances and the products or the by-products which may be derived, produced, prepared, developed, compounded, made or manufactured therefrom the substances obtained by mixing any of the foregoing with other substances and all other residual products resulting from the manufacture and treatment of oil.
64. To manufacture, buy, sell, export, import, deal in, assemble, fit, repair, convert, overhaul, alter, maintain, and improve all types of electronic components, devices, equipments and appliances, equipments such as television and wireless apparatus including radio receivers and transmitters, tape recorders, broadcast relay and reception equipments, phonographs and other equipments used in and or for audio and visual communications, apparatus and equipment including those using electromagnetic waves intended for radio-telegraphic or radio-telephonic communication, photocopiers, electronic lighting controls, continuous fan/motor speed controls, continuous flashers and fire alarm systems, digital and other electronic clock, time relays, punch card machines, electromechanical pneumatic controls, computers and automatic calculators, X-ray machines and tubes, surgical, medical and other appliances intended for electro and other therapy treatment and in all types of tapes, magnetic and otherwise, photographic films, projectors and cameras, and capacitors, resistance, condensers, semi-conductors, transistors, rectifiers, integrated and hybrid circuits, relays, potentiometers, connectors, printed circuits, coils, chokes, transformers, switches, volume controls, plugs, sockets, aerial gears, diodes and allied items intended for and used in electronic devices, and in air conditioners, refrigerators, washing machines, heaters and cooking ranges and other types of domestic appliances and any type of equipment used in the generation, transmission and receiving of sound, light and electrical impulses and component parts thereof and other materials used in or in connection with electronic and electrical industries.
65. To apply for membership on any recognised Stock Exchange and pay any membership fees for carrying on brokerage and sub-brokerage business and to appoint sub-brokers, agents, canvassors and other people who may procure business or otherwise directly connected with any Stock Exchange in India or abroad.
66. To carry on the business of manufacturers, dealers, importers and exporters, merchants, agents, factors and financiers and particularly manufacturers, dealers, etc. of all types of petrochemicals and Hydrocarbons like Naphtha, Methane, Ethylene, Propylene, Butenes, Naphthalene, Cyclohexane, Cyclohexanone, Benzene, Phenol, Acetic Acid, 2-Ethyl Hexanol, Butanol, Oxalcohols, Cellulose Acetate, Vinyl Acetates, Ammonia, Caprolactam, Adipic Acid, Hexamethylene diamine, Nylon, Nylon-6, Nylon 6.6, Nylon 6.10, Nylon 6.11, Nylon 7, their fibres, castings, mouldings, sheets, rods etc., Ortho-xylene, Phthalic Anhydride, Alkyd Resins, Polyester fibres and films, mixed Xylenes, Paraxylene, Meta-xylene, Toluene, Cumene, Phenol, Styrene, Synthetic Rubbers, Butenes, Butadiene, Methacrolein, Maleic Anhydride, Methacrylates, Urea, Methanol formaldehyde, UF, PF and MF resins, Hydrogen-cyanide, Polymethyl Methacrylate, Acetylene, P.V.C. Polyethylenes, Ethylene dichloride, Ethylene oxide, Ethyleneglycol, Polyglycols, Polyurethanes, Paraxylenes, Polystyrenes, Polypropylene, Isopropanol, Acetone, Propylene oxide, Propylene glycol, Acrylonitrile, Acrolein, Acylcesters, Acrylic Fibres, Allyl Chloride, Epichlor-hydrin Epoxy resins, lean gas, fuel gas, liquified petroleum gas, methane, ethane, propane, butane and their mixtures and all other petrochemical products and of Hydrocarbon and polymers in all their forms like resins, fibres, sheets mouldings, castings etc.

67. To carry on the business of manufacturers, dealers, agents, factors, importers, exporters, merchants and financiers of all kinds of man-made fibres and man-made fibre yarns of all kinds, man-made fibre cords of all kinds and man made fibre fabrics of all kinds, mixed with or without mixing, materials like woollen, cotton, metallic or any other fibres of vegetable, mineral or animal origin, manufacturing such manmade fibres and man-made fibre products of all description and kinds with or without mixing fibres of other origin as described above, by any process using petrochemicals of all description or by using vegetable or mineral oils or products of all description required to produce such man-made fibres.
68. To plan, establish, develop, provide, operate and maintain all types of telecommunication services including, telephone, telex, wireless, data communication telematic and other like forms of communication and to manufacture, install, supply and lease electronic display systems including time displays more particularly for racing, advertising, banking, stock exchanges, super markets, transport authorities, civil aviation, Railways and Defence and to build, construct, maintain, enlarge, pull down, remove or replace, improve or develop and work, manage, and control any buildings, offices, godowns, warehouses shops, machinery and plant and telephone exchanges, telegraph offices, coaxial stations, microwave stations, repeater stations, telecommunications lines, cables, towers, or any other equipment, plant, machinery connected with design, development, construction, maintenance and operation of telecommunications services and conveniences, which may seem calculated directly or indirectly to advance the interests of the Company and to subsidise, contribute to or otherwise assist or take part in doing any of these things, and/or to join with any other person and/or company and/or with any Governmental authority in doing any of these things.
69. To carry on all or any of the business of producers, manufacturers, generators, suppliers, distributors, transformers, converters, transmitters, processors, developers, storers, procurers, carriers, importers and exporters, and dealers in electricity, all form of energy and any such products and by-products derived from such business including without limitation, steam, fuels, ash, conversion of ash into bricks and any products derived from or connected with any other form of energy, including, without limitation to conventional sources such as heat, thermal, hydel, nuclear and/or from non-conventional sources such as tidalwave, wind, solar, geothermal, biological, biogas and coal bed methane.
70. To carry on all or any of the business of purchasers, creators, generators, manufacturers, producers, procurers, suppliers, distributors, converters, processors, developers, storers, carriers, importers and exporters of, and dealers in, design or otherwise acquire to use, sell, transfer or otherwise dispose of nuclear, electricity, steam, hydro or tidal, water, wind, solar, hydrocarbon fuels, fuel handling equipments and machinery and fuel handling facilities thereto and any products or by products derived from any such business (including without limitation distillate fuel oil and natural gas whether in liquefied or vaporised form), or other energy of every kind and description and stoves, cookers, heaters, geysers, biogas, plants, nuclear reactors, gas and steam turbines, boilers, generators, alternators, diesel generating sets and other energy devices and appliances of every kind and description.
71. To do, act, perform, undertake, pursue, practise, achieve or carry on in India or elsewhere the business, vocation or calling of detectives, guards, security agents, investigators, examiners, explorers, inspectors in the industrial, business, trade, management, legal, social or any other area or field and to provide security, body guard services, detective services or consultancy to ascertain, vigil, catch, disclose, identify, notice, observe, recognise, scent, cross examine, grill, inquire, interrogate, probe, explore, sift, canvass any matter, question, subject, or activity and to manufacture, produce, assemble, dismantle, design, develop, equip, fabricate, modify, mould, machine, repair, service and to act as agent, broker, stockists, distributor, licensor, importer, exporter, buyer, seller, supplier, vendor or otherwise to deal in all shapes, sizes, varieties, capacities, descriptions, specifications and facilities or revolvers, pistols, artillery weapons, guns, machine guns, stenguns, rifles, line throwing guns, bullets and other similar weapons used for detective, security services, body guard services or consultancy.
72. To manufacture, install, supply, lease electronic display systems and to produce, buy, sell, import, export or otherwise deal in cinematographic films, television films, video films and video cassettes and to establish, purchase, take on lease or hire or otherwise acquire and maintain, and to sell, give on lease or hire studios, laboratories, cinemas, picture places, halls, theatres, for production processing, printing and screening of films and to set up, operate professional Television, Audio, Cine Studios for entertainment shows, sponsored programmes, advertising films, educational films, feature films and documentaries including transfer of films to video cassettes and to produce TV programmes, TV news coverage, educational programmes, sports coverage

and computer software for programmes connected therewith and to carry on business of marketing the above and to exhibit, distribute, give or take on hire, exchange, purchase or sell and to deal in any manner in films both of own manufacture or other manufacture, Indian or foreign, in India or elsewhere outside India.

73. To exhibit, distribute, give or take on hire, exchange, purchase or sell and to deal in any manner in films both of own manufacture or other manufacture, Indian or Foreign, in India or elsewhere outside India and also to engage agents or representatives for the above or any other purposes of the company and to remunerate such agents, representatives and servants of the Company and to manufacture, produce and exhibit Cinematographic films and pictures and to engage Directors, Actors and other servants, Authors, Play-writers, Dramatists, Dialogue and Scenario writers, Film Editors, Story writers and other persons, Technicians, Engineers, Sound Experts, Cameramen, Musicians, Art Directors, Artists, Painters, Carpenters and other experts necessary for conducting the business of the Company and to pay, remunerate persons so engaged.
74. To manufacture and carry on the business of film productions, silent as well as talking in all or any of the languages spoken in the world which may be Topical, News, Educational, Dramatic, Comic, Advertisement, Cartoons, Coloured Synchronised and film or film of any other kind to be hereinafter devised and to construct, purchase or take on lease Cinematograph theatres, cinema halls and other buildings and works convenient for the purposes thereof and to manage, maintain and carry on such theatres and other buildings, when so erected on.
75. To carry on the business of sizers, texturisers, spinners, weavers, manufacturers, twistors of various kinds of yarns silk, artificial silk, rayon, nylon, stretchlon, manmade, synthetic fibers, staple fibers, wood and fibrous materials and the business of manufacturing, texturising, spinning, weaving, combing, ginning, pressing, twisting, doubling, dyeing, bleaching, colouring, mercerizing, printing, scouring, finishing, packing, baling and selling cloth of all types, linen and fabrics of all types, whether knitted or looped and of importing, exporting, buying, selling and/or dealing in silk, art silk, rayon, nylon, stretchlon, man-made synthetic fibers, staple fibers, wool, hemp and other fibrous materials, cloth, linen, rayon and to buy sell, import/export act as agents and/or to deal in finished fabrics/grey fabrics made of cotton/blended worsted/synthetic, cotton/blended/worsted polyester filament yarn or partially oriented yarn and other kinds of yarn and generally to carry on the business of processors, of linen, flax, hemp, silk, artificial silk, rayon, man-made synthetic fibers, staple fibres, wool and cloth merchants, cleaners, combers, spinners, weavers, bleachers, dyers, printers, sizers, importers, exporters, materials and to transact all and preparing process and to give any special treatment to any of the referred materials at any stage of production such as texturising, dyeing, twisting, crimping on own materials.
76. To carry on the business or vocation of acting as advisers and consultants, on all matters and problems relating to the Technical Industries, civil, administration, finance and organisation, management, commencement or expansion of industry, purchasing techniques and business (including construction of plants and buildings), production, purchases, sales, materials and cost control, marketing, advertisement, publicity, personnel, labour, exports and imports to and for any concerns, bodies, association (incorporated or unincorporated) departments and services of the Government, public or local authorities, trusts, scientific research and Development Centers, and to be appointed as technical, financial, legal, economic, public relation, sales promotion, industrial administration, civil consultants.
77. To carry on the business of construction of roads, bridges, tunnels, setting up of various infrastructural facilities for village, town/city developments and to carry on the business of builders, contractors, dealers in and manufacturers of pre-fabricated and precast houses, buildings, and erections and materials, tools, implements, machinery and metalware in connection therewith or incidental thereto and to carry on any other business that is customarily, usually and conveniently carried on therewith.
78. To purchase, take on lease or otherwise acquire any mining rights, mines and lands in India or elsewhere and to pump, refine, raise, dig and quarry all natural resources including oil, gas, petroleum, gold, silver, diamonds, precious stones, coal, earth, limestone, iron, aluminium, titanium, vanadium, mica, apalite, chrome, copper, gypsum, lead, manganese, molybednum, nickel, platinum, uranium, rutile, sulphur, tin, zinc, zircon, bauxite and tungsten and other ores and minerals and believed to contain metallic, or mineral, saline or chemical substances, kisselghur, french chalk, china clay, bentonite and other clays, boryles, calcite and such other filler materials, earths or other ingredients including coal, lignites, rock phosphate, brimstone, brine, rare earths which may seem suitable or useful or for any of the Company's objects and any interest therein and to explore, work, exercise,

develop and turn to account the same and to carry on business as producers, buyers, and acquire, obtain, refine, cut, polish, prepare, melt, import, export or otherwise deal in gold, silver, bullion, jewellery, diamonds, precious stones, artificial man made jewellery, gems and novelties.

79. To carry on all kinds of businesses of designers, manufacturers, processors, assemblers, dealers, traders, distributors, importers, exporters, agents consultants, system designers and contractors for erection and commissioning on turn key basis or to deal in any other manner including storing, packing, transporting, converting, repairing, installing, training, servicing, maintenance of all types, varieties and kinds of (i) telephone instruments, intercoms, accessories and components thereof for telecommunications, (ii) radio communication equipments like receivers, transmitters, trans-receivers, walkie talkie radio relay equipment, point to point communication equipments, antennas and associated equipment, single channel, multi-channel, fixed frequency, variable frequency, static, mobile, airborne, shipborne equipments in HF, VHF, UHF and Microwave, spectrum, TV systems, receivers, transmitters, pattern generators and associated equipments, amplifiers, oscillators synthesisers, waveform generating, measuring and associated equipments, sonic, ultrasonic and radio frequency ranging and depth finding sonar and Telemetry coding and data transmission equipments, data acquisition, processing and logging equipments, calculators, computers, mini computers and micro-computers, printers, headers, display terminals, facsimile transmitting and receiving equipments and systems, (iii) signalling, telecommunication and control equipments used in roads, railways, ships, aircrafts, ports, airports, railway stations, public places along with associated accessories and test rigs, (iv) instruments, testing equipments, accessories for repair, maintenance, calibration and standardization of all the above items in laboratories, service centres, processing plants, manufacturing plants and at customers places.
80. To carry on business as merchants, traders, commission agents, buying and selling agents, brokers, adatis, importers, buyers, sellers, exporters, dealers and to import, export, buy, sell, barter, exchange, or otherwise trade and deal in goods, produce, articles and merchandise of any kind whatsoever in India or any where in the world.
81. To purchase, create, generate, manufacture, produce, design or otherwise acquire to use, sell, transfer or otherwise dispose of nuclear, electric, steam, hydro or tidal, water, wind, solar or other energy of every kind and description and stoves, cookers, heaters, geysers, biogas plants, nuclear reactors, gas and steam turbines, boilers, generators, alternators, diesel generating sets and other energy devices and appliances of every kind and description.
82. To explore, develop, produce, purchase or otherwise acquire petroleum crude oil, natural gas, all kinds of hydrocarbons and mineral substances, both on-shore and off-shore, within the territorial jurisdiction of the Indian Union and anywhere in the World and to manufacture, refine, extract, treat, reduce, distill, blend, purify and pump, store, hold, transport, use, experiment with, dispose of, import, export and trade and generally deal in any and all kinds of petroleum crude oil, natural gas, associated gas, petroleum products, oil, gas and other volatile substances, asphalt, bitumen, bituminous substances, carbon, carbon black, hydro carbon and mineral substances and the products or the by-products which may be derived, produced, prepared, developed, compounded, made or manufactured therefrom the substances obtained by mixing any of the foregoing with other substances.
83. To carry on the business of Investment Company and to invest in and acquire, hold or otherwise deal in any shares, stocks, debentures, debenture stock, bonds obligations and securities issued or guaranteed by any company constituted or carrying on the business in India or elsewhere and debentures, debenture-stock, bonds, obligations and securities, issued or guaranteed by any Government, State, Dominion sovereign, Ruler, Commissioner, Public body or authority, Supreme, Municipal, Local or otherwise, whether in India or elsewhere, and to invest funds in Post Office Savings Accounts, Unit Trust of India and other Corporations, whether privately owned or owned jointly and to carry on and undertake the business of finance, Investment and hire-purchase, leasing and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment and to assist in financing of all and every kind and description of hire- purchase or deferred payment or similar transactions and to subsidise, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable property including lands and buildings, plant and machinery, equipments, ships, aircrafts, automobiles, computers, and all consumer, commercial, medical and industrial items and to lease or otherwise deal with them including resale thereof, regardless of whether the property purchased and leased is new and/or used and from India or from any part of the world.

84. To construct, erect, maintain, improve and work or aid in, contribute or subscribe to the construction, erection and maintenance, improvement or working of any laboratories, research and developments establishment, basic research or design institute, pilot plants and to apply for, purchase or otherwise acquire any patents, brevets d'invention, licences, concessions and the like conferring an exclusive or non-exclusive or limited right to use 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, grant licences in respect of or otherwise turn to account the property, rights and information so acquired and to act as consultants in the fields of chemical, mechanical, electrical, civil, industrial and other branches of engineering and technology, production, marketing, distribution, finance, materials, personnel, planning, computers, management information systems and other types of management.
85. To Manufacture, process, buy, sell, import, export or otherwise deal in all kinds of extruded products made from aluminium, plastic, or any other material and to carry on the business of manufacturing, converting, buying, selling, importing, exporting or otherwise dealing in Stretch Blow Moulded, Co-Extruded multilayer, high barriers plastic bottles, containers, plastic products of all kinds and form or adoption of all processes, methods, or means, viz. of extrusion, injection, moulding, blowmoulding, co-extrusion moulding, vacuum forming, vacuum metalising, compression, fabrication, coating, brushing, curtain coating, spraying, calendering, laminating, hot coating, dipping, impregnating and hot roll coating and to engage in manufacture and processing of Aluminium foil for packaging of edible oil, milk and other food products, electrical, medical and other purpose by extruding, coating by various polymers.
86. To carry on the business of manufacture of and dealers in minerals or mineral products chemicals, chemical compounds, including inorganic and organic fluorine compounds and chemical compounds of any nature and kind whatsoever in any manner, and as wholesale and retail, importers, exporters, manufacturers of and dealers in heavy chemicals, acids, alkalis, petrochemicals, olefins, chemical compounds, elements of all kinds (solids, liquid and gaseous), essences, flavor and perfume materials, solvents, plastics and plasticizers of all types, dyes, dyestuffs, intermediates, textiles auxiliaries, artificial silks, staple and synthetic fibres of all kinds and types, synthetic elastomers or rubbers of all types, colours, pigments, toners, lakes, pharmaceuticals products and preparations, inks, papers, dyes, oils, paints, varnishes, fertilisers, manures, disinfectants, insecticides, pesticides, fungicides, oil cakes, soaps, cosmetics, toiletry, spirits and spirituous preparations, malts, yeasts, starches and edible products of all kinds and other products and by-products of brewing and distillation industry, as well as biochemical, sizing, bleaching, photographic and other preparations and articles of any nature and kind whatsoever.
87. To carry on the business of manufacturing and compressing oxygen, hydrogen, nitrogen, carbonic acid, acetylene and any other gases of kindred substances, or any compounds thereof by any process, and of selling or applying such gases, substances and compounds or any of them to such purposes as the Company may from time to time think desirable.
88. To own, purchase, charter, hire or otherwise acquire, sell exchange, let or otherwise deal with, operate, trade in or with steam and other ships, aircrafts, boats, tugs, vessels, trawlers, drifters, other transports and conveyances propelled or worked or capable of being propelled or worked by steam, electricity, petrol, oil gas or any other motive power or power producing substance, with all equipments and furniture, build steam of other ships, and vessels and to employ the same in the carriage or conveyance by land or sea in or between any place or places or port or ports or any seas, rivers, canals, or elsewhere, of passengers, mails, troops, munitions of war, livestock, corn and other produce and of treasure and merchandise and food articles and goods, and things between such ports and places in any part of the world, as may seem expedient, and to establish, maintain and work lines of steam and other ships air services and lines of aerial communications between ports and other transports and conveyances between and ports, countries or places which may seem to the Company from time to time expedient and to acquire any postal and other subsidies.
89. To carry on the business of ship-owners, shipbuilders, ship brokers, shipping agents, ship managers, ship charterers, barge owners, dock owners, stevedores, warehousemen, wharfiner, saslvors, marine consultants, crew recruitments ship delivers, ship repairers, loading brokers, freight contractors, haulage and general contractors, marine engineers, surveyors or any other work connected with the shipping business.

90. To carry on the business as manufacturers, formulators, processors, producers, fermentators, distillers, refiners, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaires of, and dealers in chemicals, chemical compounds, inorganic and organic compounds, petrochemicals, agro chemicals, synthetic chemicals, acid and alkalies, salts, solvents and catalysts, chemical auxiliaries, disinfectants, insecticides, fungicides, deodorants, biochemicals and sanitary chemicals, synthetic lubricants, oil-field chemicals such as flow improvers, de-emulsifiers, pharmaceutical intermediates, dye-intermediates, surface active agents, propellants, explosives, textile auxiliaries, fine chemicals, photographic chemicals, electric surgical or bacteriological chemicals, water purification, and chemicals, pigments, tannins, tannin extracts, essences and petroleum products, industrial or heavy chemicals including Soda Ash (Sodium Carbonate) of all grades, Sodium Bicarbonate of all grades, Sodium Chloride of all grades, Iodine, Bromine and all compounds of Bromine of all grades, Potassium Schoenite, Ammonia, Ammonium forms Chlorine and its compounds of all grades both organic and inorganic, Hydrochloric Acid, Gypsum, Explosives, Calcium Chloride, Calcium Hydroxide, Hydrogen Sulphide, Carbondioxide, Limestone, Calcium Oxide, greases synthetic chemicals derived from Petroleum hydrocarbons, elements and all inorganic and organic chemicals and compounds of any kind, character and property which has been developed or known or which may be developed or invented in future as a result of any research done or studies made in any part of the world and which may be produced, manufactured or formulated by any of the chemical process, reactions, or unit operations such as catalysts in chemical and petrochemical plants, alkylation, animation by reduction, ammonolysis, aromatization, calcination carboxylation, causticization, combustion, condensation, concentration, dehydration, diazotization, double decomposition, distillation, electrolysis, esterification, fermentation, Fridel Crafts Agents, filtration, halogenating, hydroformylation and synthesis of hydro carbons, hydrogenation, hydration and hydrolysis, isomerization, neutralization, nitration, oxidation, polymerization, pyrolysis or cracking reduction, silicate formation, sulfonation, saponification, alkalifusion or by any other chemical conversion, electrical conversion, physical operation or manipulation of either any raw material from mines, forest, sea, air, farm, oilbrine, gas wells and animal substances or any products, by products, derivatives, mixtures thereof and residual substances from any chemical process and conversion into any marketable products, consumer goods, entered directly into the economic life or as intermediates or chemicals for the manufacture of consumer items or as raw materials for further fabrication in other industries.
91. To organise, sponsor, promote, undertake, establish, encourage, conduct, assist, carry on or help to carry on in any part of India research for extension of knowledge in the field of applied science and animal husbandry, industry and commerce, arts, pharmacology, social and allied sciences, engineering, chemicals and textiles.
92. To carry on in India or elsewhere the business of exploration, development production, manufacture, refining, processing, compressing, converting, formulating, using, buying, dealing, acquiring, storing, packaging, selling, transporting, distributing, importing, exporting of oxygen, hydrogen, nitrogen, carbonic acid, acetylene and the gases of kindred substances or any compounds thereof, by any process and of selling or applying such gases, substances and compounds or any of them to such purposes as the company may from time to time think desirable.
93. To carry on in India or elsewhere the business of broadcasting and to acquire the right to use and to put up radio and television stations and to carry on business of produces, distributors, importers, exporters, exhibitors and financiers of cinematograph films and to manufacture, own acquire, provide, secure, arrange and to acquire exclusive or limited rights to any play, story, script, musical songs and lyric, book, article or any technique by producing, purchasing or otherwise acquiring and to exercise, envelope or exploit or turn to account such rights for the business of the Company, and to act as agents for training, retaining, arranging, and supplying artists, stars, art directors, script or story-writers, technicians, extras and other personal required by the Company or others for films, cinema or show business.
94. To explore, manufacture, refine, treat, reduce, distill, blend, purity and pump, store, hold, transport, use, experiment with, market, distribute, exchange, supply, sell and otherwise dispose of, import, export and trade and generally deal in any and all kinds of petroleum and petroleum products, oil, gas and other volatile substances, asphalt, bitumen, bituminous substances, carbon, carbon black, hydrocarbon and mineral substances and the products or the by-products which may be derived, produced, prepared, developed, compounded, made or manufactured therefrom and substances obtained by mixing any of the forgoing with other substances.
95. To carry on the business in all types of aromatic, perfumery and flavouring synthetics like phenones, acetyl derivatives, anthranilates, alcohol, aldehydes, ketones, esters, acids, alicylates, all types of synthetic musks,

- vanillin and its compounds, and derivatives, coumarin and its derivatives and compounds, other compounds or chemicals or derivatives used in perfumery industry, all essential oils both natural and synthetic, all raw materials and compounds required for manufacture of the above products made from or with the use of any of the by-products thereof and to carry on the business as manufacturers of and dealers in glycerine and all kinds of toilet requisites and perfumers, manufacturers of and dealers in starch, water-softeners.
96. To carry on trade or business of photographers in all its branches and to manufacture, purchase, sell, export, import, maintain, repair, hire, rent, cameras of all types and descriptions, film, cartridges for all types of cameras, photo albums, colour packs, photo papers, enlargers, developers and photostat equipments and to carry on the business of dealers of all types of materials, chemicals and substances that are generally used by photographers and/or are capable of being so used including pictures, frames, albums, cards, lights, bulbs, flash guns, electronic and other equipments for use in T.V. and other cameras and accessories in relation thereto.
 97. To carry on in India the business of advertising agents, consultants and contractors, new-agents, newspapers cutting agents, bill posters, commission agents, promoters or organizers of or agents for advertisement or publicity scheme or methods, newspapers proprietors, newspapers reports, printers, publishers and sellers of newspapers, journals, periodicals, magazines, books and all kinds of literary, artistic, musical, scientific, commercial and other publications in English or Indian vernaculars or any foreign language and of general printers, engravers, lithographers, stereotype, electrotype, photographers, photo teachers, photographic printers, designers, draughtsmen and type founders.
 98. To carry on the business of producers as well as refiners of all kinds of metals including all precious metals and as manufacturers, importers, exporters of and dealers in sheets circles, rods, electrodes and wires of all metals and alloys including precious metals and also as manufacturers of solders of all kinds including silver solders.
 99. To erect, purchase or lease or otherwise acquire any mills, works, machinery and any other real and personal property appertaining to the goodwill of and any interest in the business of manufacturing any products either in India or elsewhere.
 100. To carry on the business of undertaking turnkey projects and works contracts for the construction of industrial units and installation of plant, machinery and equipment.
 101. To carry on business as manufacturers and suppliers and dealers in, tassels, robe, dress and mantle, gold lace, lace braids, cords, embroiders, furs, ribbons, fans, perfumes, and flowers, buttons, thread, ornaments, fringers, chalk, pattern, cards, springs, sewing machines, squares, measures, lingerie and trimmings of every kind and fittings, equipment and requisites of all kinds.
 102. To carry on business as manufacturers, dealers and servicing and maintenance engineers in all kinds of electrical mechanical, chemical, metallurgical, electronic and construction and all other types of equipment and machinery and in particular to engage in and carry on the business of manufacturers of mechanical, electronic, hydraulic, gas operated and pneumatic products, components and assemblies for domestic and industrial usage including tools, dies, fixtures, implements, inspection / test equipment, data processing equipments reproducing/copying equipment.
 103. To adopt such means of making known the business of the company and/or associate companies or others as may seem expedient and in particular by advertising in the press, public places and theaters, by radio, by television, by circulars, by purchase and exhibition, or works of art or interest by publication of books, pamphlets, bulletins or periodicals by organising or participating in exhibitions and by granting prizes, rewards and donations.
 104. To construct, develop and maintain acquire on lease basis or otherwise residential or industrial colonies for the general advancement of members, employees or others.
 105. To carry on business as capitalist, financiers, concession and merchants.
 106. To manufacture, export, import, buy, sell or otherwise deal in jams, jellies, marmalades, canned or bottled products, preserved food and fruit products of any kind, biscuits, chocolates, pastries and sweetmeats of all kinds, asavas, avalehas, murambas, pickles, crushes, squashes, or any kinds of edible products made from any material.

- IV. The liability of the Members is limited.
- V. *The Authorised Share Capital of the Company is Rs. 15,000 Crore (Rupees Fifteen Thousand Crore) divided into 1350 Crore (One Thousand Three Hundred and Fifty Crore) Equity Shares of Rs. 10 (Rupees Ten only) each and 150 Crore (One Hundred and Fifty Crore) Preference Shares of Rs. 10 each with the power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.
- * Authorised Share Capital has been altered as under:-
1. The authorised Share capital is increased from Rs. 1 lac to Rs. 5 lacs vide Ordinary Resolution passed at Extra-ordinary General Meeting of the Members held on 25th November, 2006.
 2. The authorised Share capital is increased from Rs. 1 lac to Rs. 1.05 crore vide Ordinary Resolution passed at Extra-ordinary General Meeting of the Members held on 29th December, 2010.
 3. Pursuant to Scheme of Arrangement and Amalgamation sanctioned by Hon'ble High Court of Judicature at Bombay vide Order dated 3rd May, 2013 and amended/corrected order dated 13th June, 2013, the Authorised Share Capital of the Company has been increased from Rs. 1.05 crore to Rs. 15,000 crore.
 4. 150 crore unissued equity shares of Rs. 10 each were cancelled and simultaneously 150 crore preference shares of Rs. 10 each were created vide Special Resolution passed at Extra-ordinary General Meeting of the Members held on 10th August, 2016.

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

Sr. No.	Name, address, description, and occupation of subscribers by each	Number of equity shares taken by eachSubscriber	Signature of Subscribers	Signature, name, address, description and occupation of witness
1.	<p>Vijay Kumar Damu 8/3 Mumbadevi Co-op Hsg Society St Anthony's Road, Chembur, Mumbai 400 071</p> <p>S/o Shri K.B. Damu</p> <p>Service</p>	100 (One hundred only)	Sd/-	<p>Witness to both Sd/-</p> <p>Chetan Malik S/o G.S. Malik C-31 Meherina Napean Sea Road Mumbai 400 036 Company Secretary ACS 12494</p>
2.	<p>Surendra Pipara M-375, 3rd Floor Tarapore Tower Link Road, Andheri (W) Mumbai 400 053</p> <p>S/o Shri K.M. Pipara</p> <p>Occup. Service</p>	100 (One hundred only)	Sd/-	
		200 (Two hundred only)		

Place: Mumbai

Dated: 5th May 1999

ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION

OF

RELIANCE RETAIL LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the annual general meeting of the Company held on September 22, 2014 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

Table 'F' Excluded

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|---|----|---|--|
| 1 | 1) | The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. | Table 'F' not to apply |
| | 2) | The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Article. | Company to be governed by these Articles |

Interpretation

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|---|----|---|--|
| 2 | 1) | In these Articles — | |
| | a) | “Act” means the Companies Act, 2013 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 | “Act” |
| | b) | “Articles” means these articles of association of the Company or as altered from time to time. | “Articles” |
| | c) | “Board of Directors” or “Board”, means the collective body of the directors of the Company. | “Board of Directors” or “Board” |
| | d) | “Company” means Reliance Retail Limited. | “Company” |
| | e) | “Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act. | “Rules” |
| | f) | “Seal” means the common seal of the Company | “Seal” |
| | 2) | Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender. | “Number” and “Gender” |
| | 3) | Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be. | Expressions in the Articles to bear the same meaning as in the Act |

Share capital and variation of rights

Shares under control of Board	3	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 Board 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.
Directors may allot shares otherwise than for cash	4	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.
Kinds of Share Capital	5	<p>The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:</p> <p>a) Equity share capital:</p> <p style="padding-left: 20px;">(i) with voting rights; and / or</p> <p style="padding-left: 20px;">(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and</p> <p>b) Preference share capital.</p>
Issue of certificate	6	<p>1) 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 from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide –</p> <p style="padding-left: 20px;">(a) one certificate for all his shares without payment of any charges; or</p> <p style="padding-left: 20px;">(b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.</p>
Certificate to bear seal	2)	Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
One certificate for shares held jointly	3)	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.
Option to receive share certificate or hold shares with depository	7	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.
Issue of new certificate in place of one defaced, lost or destroyed	8	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 Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.
Provisions as to issue of certificates to apply <i>mutatis mutandis</i> to debentures, etc.	9	The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

10	<p>1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.</p> <p>2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.</p> <p>3) 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.</p>	<p>Power to pay commission in connection with securities issued</p> <p>Rate of commission in accordance with Rules</p> <p>Mode of payment of commission</p>
11	<p>1) 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 such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.</p> <p>2) To every such separate meeting, the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply.</p>	<p>Variation of members' rights</p> <p>Provision as to general meetings to apply <i>mutatis mutandis</i> to each meeting</p>
12	<p>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.</p>	<p>Issue of further shares not to affect rights of existing members</p>
13	<p>Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.</p>	<p>Power to issue redeemable preference shares</p>
14	<p>1)* The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –</p> <p style="margin-left: 20px;">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 existing holder of Equity shares of the Company; or</p> <p style="margin-left: 20px;">b) employees under any scheme of employees' stock option; or</p> <p style="margin-left: 20px;">c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.</p> <p>2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.</p>	<p>Further issue of share capital</p> <p>Mode of further issue of shares</p>
Lien		
15	<p>1) The Company shall have a first and paramount lien –</p> <p style="margin-left: 20px;">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</p> <p style="margin-left: 20px;">b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:</p>	<p>Company's lien on share</p>

*Amended by Special Resolution passed at the Extra ordinary General Meeting of the Company held on August 10, 2016

		Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
Lien to extend to dividends, etc.	2)	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 for any money owing to the Company.
Waiver of lien in case of registration	3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.
As to enforcing lien by sale	16	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made— a) unless a sum in respect of which the lien exists is presently payable; or b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.
Validity of sale	17	1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. 2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
Purchaser to be registered holder		
Validity of Company's receipt	3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
Purchaser not affected	4)	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 with reference to the sale.
Application of proceeds of sale	18	1) 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. 2) 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		
Outsider's lien not to affect Company's lien	19	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.
Provisions as to lien to apply <i>mutatis mutandis</i> to debentures, etc.	20	The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.

Calls on shares

Board may make calls	21	1) 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.
Notice of Call		2) 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.
Board may extend time for payment		3) 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.

4)	A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
22.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.	Call to take effect from date of resolution
23	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
24	1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board. 2) The Board shall be at liberty to waive payment of any such interest wholly or in part.	When interest on call or instalment payable Board may waive interest
25	1) 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 Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. 2) In case of non-payment of such sum, all the relevant provisions of these Articles 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.	Sums deemed to be calls Effect of non-payment of sums
26	The Board - a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. 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.	Payment in anticipation of calls may carry interest
27	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Instalments on shares to be duly paid
28	All calls shall be made on a uniform basis on all shares falling under the same class. <i>Explanation:</i> Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
29	Neither a judgment 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 any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	Partial payment not to preclude forfeiture
30	The provisions of these Articles relating to calls shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to calls to apply <i>mutatis mutandis</i> to debentures, etc.

Transfer of shares

31	1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee. 2) 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.	Instrument of transfer to be executed by transferor and transferee
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Board may refuse to register transfer	32	<p>The Board may, subject to the right of appeal conferred by the Act decline to register –</p> <p>a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>b) any transfer of shares on which the Company has a lien.</p>
Board may decline to recognise instrument of transfer	33	<p>In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless –</p> <p>a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;</p> <p>b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>c) the instrument of transfer is in respect of only one class of shares.</p>
Transfer of shares when suspended	34	<p>On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.</p>
Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to debentures, etc.	35	<p>The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>

Transmission of shares

Title to shares on death of a member	36	<p>1) 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 recognised by the Company as having any title to his interest in the shares.</p>
Estate of deceased member liable	2)	<p>Nothing in clause (1) 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.</p>
Transmission Clause	37	<p>1) 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 –</p> <p>a) to be registered himself as holder of the share; or</p> <p>b) to make such transfer of the share as the deceased or insolvent member could have made</p>
Board's right unaffected	2)	<p>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.</p>
Indemnity to the Company	3)	<p>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.</p>
Right to election of holder of share	38	<p>1) 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>
Manner of testifying election	2)	<p>If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p>

3)	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.	Limitations applicable to notice
39	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
40	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		
41	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or instalment not paid notice must be given
42	The notice aforesaid shall :	Form of notice
	<ul style="list-style-type: none"> a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited. 	
43	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 forfeited
44	Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.	Receipt of part amount or grant of indulgence not to affect forfeiture
45	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
46	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
47	1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.

Cancellation of forfeiture		2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
Members still liable to pay money owing at the time of forfeiture	48	1) 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, and shall 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.
Members still liable to pay money owing at time of forfeiture and interest		2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.
Cesser of liability		3) 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.
Certificate of forfeiture	49	1) 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;
Title of purchaser and transferee of forfeited shares		2) The Company may receive the consideration, if any, given for the share on any sale, re-allotment 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;
Transferee to be registered as holder		3) The transferee shall thereupon be registered as the holder of the share; and
Transferee not affected		4) 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, re-allotment or disposal of the share.
Validity of sales	50	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.
Cancellation of share certificate in respect of forfeited shares	51	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 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.
Surrender of share certificates	52	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
Sums deemed to be calls	53	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the 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.
Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to debentures, etc.	54	The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
Alteration of capital		
Power to alter share capital	55	Subject to the provisions of the Act, the Company may, by ordinary resolution – a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

- b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:
Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;
- c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

56 Where shares are converted into stock: Shares may be converted into stock

- a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;
- b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
- c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/”member” shall include “stock” and “stock-holder” respectively.

Right of stockholders

57 The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, — Reduction of capital

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

Joint Holders

58 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 other provisions contained in these Articles:

- a) 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
- b) On the death of any one or more of such joint-holders, 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
- c) 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

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| Delivery of certificate and giving of notice to first named holder | d) | 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. |
| Vote of joint-holders | e) | <p>i. 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 joint-holders 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.</p> <p>ii. 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.</p> |
| Executors or administrators as joint holders | | |
| Provisions as to joint holders as to shares to apply <i>mutatis mutandis</i> to debentures, etc. | f) | The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company registered in joint names. |

Capitalisation of Profits

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| Capitalisation | 59 | <p>1) The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —</p> <p>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</p> <p>b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> |
| Sum how applied | 2) | <p>The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards :</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).</p> <p>3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus share;</p> <p>4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.</p> |
| Powers of the Board for capitalisation | 60 | <p>1) Whenever such a resolution as aforesaid shall have been passed, the Board shall –</p> <p>a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and</p> <p>b) generally do all acts and things required to give effect thereto.</p> |

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| 2) | The Board shall have power— | Board's power to |
| a) | to make such provisions, by the issue of fractional certificates/ coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and | issue fractional certificate / coupon etc. |
| 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 or other securities 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. | |
| 3) | Any agreement made under such authority shall be effective and binding on such members. | Agreement binding on members |

Buy Back of Shares

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| 61 | Notwithstanding anything contained in these Articles but subject to all applicable provisions 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 |
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General Meetings

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| 62 | All general meetings other than annual general meeting shall be called extraordinary general meeting. | Extraordinary general meeting |
| 63 | The Board may, whenever it thinks fit, call an extraordinary general meeting. | Powers of Board to call extraordinary general meeting |

Proceedings at General Meetings

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| 64 | 1) 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 |
| | 2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant. | Business confined to election of Chairperson whilst chair vacant |
| | 3) The quorum for a general meeting shall be as provided in the Act. | Quorum for general meeting |
| 65 | The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company. | Chairperson of the meetings |
| 66 | 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. | Directors to elect a Chairperson |
| 67 | 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 a Chairperson |
| 68 | 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 |
| 69 | 1) 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. | Minutes of proceedings of meetings and resolutions passed by postal ballot |

Certain matters not to be included in Minutes	2)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting - a) is, or could reasonably be regarded, as defamatory of any person; or b) is irrelevant or immaterial to the proceedings; or c) is detrimental to the interests of the Company.
Discretion of Chairperson in relation to Minutes	3)	The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.
Minutes to be evidence	4)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
Inspection of minutes books of general meeting	70 1)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall : a) be kept at the registered office of the Company; and b) be open to inspection by any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.
Members may obtain copy of minutes	2)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above: Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.
Powers to arrange security at meetings	71	The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final and rights to attend and participate in meeting convened shall be subject to such decisions.
Adjournment of meeting		
Chairperson may adjourn the meeting	72 1)	The Chairperson may, suo motu, adjourn the meeting from time to time and from place to place.
Business at adjourned meeting	2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
Notice of adjourned meeting	3)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
Notice of adjourned meeting not required	4)	Save as aforesaid, and save 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.
Voting Rights		
Entitlement to vote on show of hands and on poll	73	Subject to any rights or restrictions for the time being attached to any class or classes of shares - a) on a show of hands, every member present in person shall have one vote; and b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.
Voting through electronic means	74	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
Vote of joint -holders	75 1)	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.
Seniority of names	2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

76	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 <i>non compos mentis</i> and minor may vote
77	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 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.	Votes in respect of shares of deceased or insolvent members, etc.
78	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
79	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
80	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
81	Any member whose name is entered in the register of members of the Company 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

82	<ol style="list-style-type: none"> 1) 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. 2) 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, and in default the instrument of proxy shall not be treated as valid. 	<p>Member may vote in person or otherwise</p> <p>Proxies when to be deposited</p>
83	An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
84	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:	Proxy 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

85	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 such number as may be stipulated by the Act for the time being in force.	Board of Directors
86	<ol style="list-style-type: none"> 1) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation. 	Directors not liable to retire by rotation

An individual may be Chairperson and Managing Director/ Chief Executive Officer	2)	An 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.
Remuneration of directors	87	1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
Remuneration to require members' consent	2)	The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.
Travelling and other expenses	3)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— a) In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or b) in connection with the business of the Company.
Execution of negotiable instruments	88	All cheques, promissory notes, drafts, <i>hundis</i> , 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.
Appointment of additional directors	89	1) 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.
Duration of office of additional director	2)	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.
Appointment of alternate director	90	1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than 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.
Duration of office of alternate director	2)	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.
Re- appointment provisions applicable to Original Director	3)	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.
Appointment of director to fill a casual vacancy	91	1) 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.
Duration of office of Director appointed to fill casual vacancy	2)	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.

Powers of Board

92 The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

General powers of the Company vested in Board

Proceedings of the Board

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| 93 | 1) 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 |
| | 2) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. | Who may summon Board Meeting |
| | 3) The quorum for a Board meeting shall be as provided in the Act. | Quorum for Board Meeting |
| | 4) 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 Meeting |
| 94 | 1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. | Questions at board meeting how decided |
| | 2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. | Casting vote of chairperson at Board Meeting |
| 95 | 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 |
| 96 | 1) The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. | Who to preside at meetings of the board |
| | 2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting. | Directors to elect a chairperson |
| 97 | 1) 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. | Delegation of Powers |
| | 2) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. | Committee to conform to Board Regulations |
| | 3) 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. | Participation at committee Meeting |
| 98 | 1) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee. | Chairperson of Committee |
| | 2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. | Who to preside at meetings of committee |
| 99 | 1) A Committee may meet and adjourn as it thinks fit. | Committee to meet |

Questions at committee meeting how decided	2)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.
Casting vote of chairperson at committee meeting	3)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.
Acts or Board or Committee valid notwithstanding defect of appointment	100	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 or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
Passing of resolution by circulation	101	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

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

Chief Executive Officer, etc.	102	a) Subject to the provisions of the Act— A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
Director may be chief executive officer, etc.	b)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

Registers

Statutory register	103	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. 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.
Foreign register	104	a) 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. b) 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

The seal, its custody and use	105	1) The Board shall provide for the safe custody of the seal.
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- 2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence. Affixation of seal

Dividend and Reserve

- 106 The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend. Company in general meeting may declare dividends
- 107 Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think. Interim dividends
- 108 1) 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 applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising 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
- 2) 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
- 109 1) 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
- 2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. Payments in advance
- 3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. Dividends to be apportioned
- 110 1) 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
- 2) 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. Retention of dividends
- 111 1) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Dividend how remitted
- 2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Instrument of payment

Discharge to Company	3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.
Receipt of one holder sufficient	112	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.
No interest on dividends	113	No dividend shall bear interest against the Company.
Waiver of dividends	114	The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

Accounts

Inspection by Directors	115	1) 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.
Restriction on inspection by members	2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.

Winding Up

Winding up of Company	116	Subject to the applicable provisions of the Act and the Rules made thereunder –
	a)	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the 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.
	b)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
	c)	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

Directors and officers right to indemnity	117	a) 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 funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
	b)	Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.
Insurance	c)	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

General Power

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



We the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of these Articles of Association.

Sr. No.	Names, address, description and occupation of subscribers by each	Signature of Subscribers	Signature, name, address, description and occupation of witness
1.	<p>Vijay Kumar Damu 8/3 Mumbadevi, Co-op Hsg Society, St Anthony's Road, Chembur, Mumbai 400 071.</p> <p>S/o Shri K.B. Damu</p> <p>Service</p>	Sd/-	<p>Witness to both Sd/-</p> <p>Chetan Malik S/o G.S. Malik C-31 Meherina Napean Sea Road Mumbai 400 036 Company Secretary ACS 12494</p>
2.	<p>Surendra Pipara M-375, 3rd Floor, Tarapore Tower, Link Road, Andheri (W), Mumbai 400 053.</p> <p>S/o Shri K.M. Pipara</p> <p>Occup. Service</p>	Sd/-	

Place: Mumbai

Dated: 5th May 1999

**HIGH COURT ORDERS SANCTIONING
SCHEMES OF ARRANGEMENTS**

ANNEXURES TO THE MEMEORANDUM OF ASSOCOIATION

Annexure No.	Particulars	Page No.
High Court Orders Sanctioning Schemes of Arrangements		
(i)	Scheme of Arrangement among Reliance Retail Ltd., Reliance Agri Products Distribution Limited, Reliance Food Processing Solutions Ltd., Reliance Home Store Limited, Reliance Hypermart Limited, Reliance Integrated Agri Solutions Limited, Reliance Lifestyle Holdings Ltd., Reliance Supply Chain Solutions Limited, Reliance Wellness Limited Retail Concepts & Services (India) Ltd, and Reliance Fresh Limited	62
(ii)	Scheme of Arrangement and Amalgamation among Reliancedigital Retail Limited, Reliance Footprint Limited, Reliance Gems and Jewels Limited, Reliance Leisures Limited, Reliance Trends Limited, Reliance Autozone Limited, Reliance Digital Media Limited, Reliance Replay Gaming Limited, RESQ Limited, Reliance Retail Limited and Reliance Fresh Limited	102
(iii)	Scheme of Amalgamation of Achman Commercial Private Limited Delight Proteins Limited, Reliance Agri Ventures Private Limited, Reliance Dairy Foods Limited, Reliance F & B Services Limited, Reliance Financial Distribution and Advisory Services Limited, Reliance Food Processing Solutions Limited, Reliance Nutritious Food Products Limited, Reliance Review Cinema Limited with Reliance Retail Limited	150

HIGH COURT, BOMBAY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 360 OF 2011
WITH
COMPANY SUMMONS FOR DIRECTION NO. 316 OF 2011.

In the matter of the Companies Act, 1956;

and

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

and

In the matter of the Scheme of
Arrangement among;

- 1] Reliance Retail Ltd.,
 - 2] Reliance Agri Products Distribution Limited;
 - 3] Reliance Food Processing Solutions Ltd.,
 - 4] Reliance Home Store Limited;
 - 5] Reliance Hypermart Limited
 - 6] Reliance Integrated Agri Solutions Limited.
 - 7] Reliance Lifestyle Holdings Ltd.
 - 8] Reliance Supply Chain Solutions Limited
 - 9] Reliance Wellness Limited
 - 10] Retail Concepts & Services (India) Ltd;
- and
- 11] Reliance Fresh Limited

Reliance Retail Limited

... Petitioner company

Mr. Virag Tulzapurkar, Senior Advocate with A.S. Doctor i/b.
Junnarkar & Associates for petitioners

Ms. S. I. Shah for secured creditor (Central Warehousing Corpn)
Ms. Rachna Kapasi i/b. Pimenta Kapasi & Co. for Royal Electric Co.
Co.

Mr. Gaurav Agarwal for Sony Music Entertainment

Mr. N. D. Sharma for Regional Director

CORAM : S. C. DHARMADHIKARI, J

2nd December, 2011

P.C.:

- 1) This is a company petition seeking approval of this court to the scheme of arrangement among several entities whose names are enlisted in the petition. The jurisdiction of this court under section 391 to 394 of the Companies Act, 1956 has been invoked by the petitioner. The details in the relation to the company, its memorandum of association and the details of its share capital have been set out. Equally, details in the relation to the transferee company have also been set out. It is stated that the Board of Directors held at meeting and has approved the scheme of arrangement. Audited balance sheet and Profit and Loss account for the year ended 31st March 2010 and provisional balance sheet dated 31st March 2011 along with Profit and Loss account of the petitioner company, transferor company and transferee company are annexed to the petition. The respective board of the directors of the transferor company and the board of directors of the transferee company have convened respective meetings and approved the scheme of arrangement which provides for demerger of the transferor company with transferee company whereby demerged undertakings, without any further act, deed, matter or thing, be transferred to and vested in or be deemed to be transferred to in the transferee company, on a going concern basis. The scheme with its salient features is referred to the petition and a copy thereof duly annexed. The petition sets out as to how compliance with each of the statutory requirements has been made by the petitioner. In addition, it is stated that the circumstances/reasons set out in the petition and the scheme have necessitated the arrangement made. The scheme and its benefits are also set out.
- 2) It has then pointed out as to how the scheme will not be prejudicial to the interest of creditors, shareholders and general public. The de-merger is for reduction of cost and improving administrative and operational efficiency. The compliances are referred to in paras 14 to 19 of the petition and, thereafter, it has been set out as to how the creditors of the company are in no way affected as there is no reduction in the amount paid to any of them. A special resolution has also been referred to in para 23 and 24 of the petition.
- 3) From a reading of the petition and the annexures thereto I am satisfied that the scheme as proposed does not contravene the interest of any shareholders, creditors or general public. The same is to minimise cost and improving administrative and operational efficiency. It has no adverse effect on the interest of shareholders and creditors because the liabilities of the creditors are not in any way being curtailed or reduced. In these circumstances and when all declarations and statements have been made on oath, this is a fit case where the scheme should be approved.
- 4) Even the Regional Director has stated that he has no objection to the scheme being sanctioned and approved by this Court. There are, however, two objectors, one of which is a statutory corporation, i.e. Central Warehousing Corporation. Mrs. Shah appearing for the said Corporation submits that the Corporation has claims against the petitioners. The said claim has not been secured and the petitioner has admitted the same to the tune of Rs. 6,24,987/-. Mr. Tulzapurkar, learned Senior Counsel appearing for the petitioners on instructions makes a statement that the claim of the Central Warehousing Corporation in the books of accounts of the petitioner is to the tune of Rs. 6,24,987/-. However, the petitioner is ready and willing to furnish a Bank Guarantee for the sum of Rs. 96 lakhs as claimed by the Central Warehousing Corporations, drawn in favour of Prothonotary & Senior Master/Registrar (OS) of this Court. All that he submits that this Bank Guarantee should be kept alive for a limited period within which the Central Warehousing Corporation should establish and prove its claim by the institution of appropriate proceedings. If the appropriate proceedings are instituted, the bank guarantee then shall abide by the orders and directions therein.
- 5) Mrs. Shah states that the claim of Rs. 96 lakhs as stated in any event is admitted sum and ought to have been paid by the petitioner in full. Therefore, the bonafides having been demonstrated by the petitioner, this Court should consider the objection of the Statutory Corporation as the dues which are to be recovered are public dues and money.
- 6) After hearing both sides on this aspect I am of the view that in the light of the statements made by Mr. Tulzapurkar, without prejudice to the rights and contentions of respective parties, of furnishing bank guarantee of Rs. 96 lakhs, in favour of Prothonotary & Senior Master, it sufficiently secures and protects the claim, if any, of the Statutory Corporation. These are not proceedings in which the claim can be adjudicated and the amounts due and payable, determined and decided. The Corporation even if it is statutory, would have to adopt appropriate proceedings to recover money outstanding or allegedly due and payable. For the present, it is directed that petitioner shall furnish bank guarantee in the sum of Rs. 96 lakhs, which bank guarantee shall be kept alive for a period of four months. The said Corporation shall institute appropriate proceedings and then apply for interim reliefs therein within a period of nineteen weeks from 14th October 2011. Needless to state that the if within this period the Corporation does not initiate any legal proceedings for the recovery, the bank guarantee shall be returned to the petitioners, duly discharged.

- 7) There is another claim which is stated to be settled and Mr. Tulzapurkar states that the claim of that partnership firm has already been satisfied. However, the learned Counsel for the said firm viz, M/s. Royal Electric Company states that till date the settled and agreed amount has not been received. Mr. Tulzapurkar submits that the very sum shall be remitted to this firm within one week from today. This statement on instructions is accepted.
- 8) As far as the objections which have been raised by one Babu Moomar, residing in the State of Kerala, is concerned, it is abundantly clear that a civil suit has been filed by the said creditor in the competent court in the state of Kerala and Mr. Tulzapurkar states that the said claim is contested by filing a written statement. In the light of the pending suit and the unsecured creditor being free to apply for such reliefs, as permissible in law, no order or direction in relation to this claim need be issued.
- 9) In the light of the aforesaid, I am satisfied that the petitioners have demonstrated their bonafides and the scheme is neither prejudicial to the interest of creditors or share holders nor to the general public. In these circumstances, the company petition is made absolute in terms of prayer clauses (a) to (k).
- 10) The Transferee Company to lodge a copy of this order and the scheme duly authenticated by the Company Registrar, High Court, Bombay, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same, within sixty days from the date of the order.
- 11) The petitioner companies in all company scheme petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai. Cost to be paid within four weeks from today.
- 12) The petitioner companies to file a copy of this order along with a copy of the scheme of amalgamation with the concerned Registrar of Companies, electronically, along with E-form 21 in addition to the physical copy, within 60 days from the date of issuance of the order by the Registry.
- 13) Filing and issuance of the drawn up order is dispensed with.
- 14) All concerned authorities to act on a copy of this order along with scheme, duly authenticated by Company Registrar, High Court, Bombay.

WITH

COMPANY SCHEME PETITION NOS. 361 TO 369 OF 2011

- 1) For the reasons and discussions made above, these company petitions are made absolute in terms of prayer clauses (a) to (j).

WITH

COMPANY SCHEME PETITION NO. 370 OF 2011

- 1] For the reasons and discussions in the order above, this Company Scheme Petition is made absolute in terms of prayer clauses (a) to (k).

Sd/-
(S. C. DHARMADHIKARI, J)

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 360 OF 2011
WITH
COMPANY SUMMONS FOR DIRECTION NO. 316 OF 2011.

In the matter of the Companies Act, 1956;

and

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

and

In the matter of the Scheme of
Arrangement among;

- 1] Reliance Retail Ltd.,
 - 2] Reliance Agri Products Distribution Limited;
 - 3] Reliance Food Processing Solutions Ltd.,
 - 4] Reliance Home Store Limited;
 - 5] Reliance Hypermart Limited
 - 6] Reliance Integrated Agri Solutions Limited.
 - 7] Reliance Lifestyle Holdings Ltd.
 - 8] Reliance Supply Chain Solutions Limited
 - 9] Reliance Wellness Limited
 - 10] Retail Concepts & Services (India) Ltd;
- and
- 11] Reliance Fresh Limited

Reliance Retail Limited

... Petitioner company

Mr. Virag Tulzapurkar, Senior Advocate with A.S. Doctor i/b.
Junnarkar & Associates for petitioners

Ms. S. I. Shah i. by S. I. Shah & Co. for secured creditor
(Central Warehousing Corpn)

Mr. N. D. Sharma for Regional Director.

CORAM : S. C. DHARMADHIKARI, J.

2nd December, 2011

P.C.:

- 1) This application for speaking to the minutes is filed on 1st December 2011 and placed today. I have heard Mr. Tulzapurkar, learned senior counsel appearing for the petitioner and Ms. Shah appearing on behalf of the Central Ware Housing Corporation, which is the affected party.
- 2) The affidavit that is tendered by Ms. Shah is taken on record. Having perused this praecipe and the record of these proceedings including the affidavit that was filed on behalf of the petitioner by Mr. Hitesh Jain affirmed on 13th October 2011, I am satisfied that the order needs to be corrected. Accordingly, the order shall stand corrected in terms of the praecipe. The Registry to carry out the corrections and issue a corrected copy of the orders to parties within a period of ten days from the date of receipt of the copy of this order. Needless to clarify that neither the original order nor this clarification will affect the claim of the Central Ware Housing Corporation which shall be adjudicated on its own merits and in accordance with law. All contentions of both sides in relation to that claim are kept open. The time to file suit in terms of the order, stands extended by twelve weeks from today.
- 3) No other corrections are required in the order and rest of the order remains the same.
- 4) Application for speaking to the minutes is disposed off accordingly.

Sd/-
(S. C. DHARMADHIKARI, J)

HIGH COURT, BOMBAY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 360 OF 2011
WITH
COMPANY SUMMONS FOR DIRECTION NO. 316 OF 2011.

In the matter of the Companies Act, 1956;

and

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

and

In the matter of the Scheme of
Arrangement among;

- 1] Reliance Retail Ltd.,
 - 2] Reliance Agri Products Distribution Limited;
 - 3] Reliance Food Processing Solutions Ltd.,
 - 4] Reliance Home Store Limited;
 - 5] Reliance Hypermart Limited
 - 6] Reliance Integrated Agri Solutions Limited.
 - 7] Reliance Lifestyle Holdings Ltd.
 - 8] Reliance Supply Chain Solutions Limited
 - 9] Reliance Wellness Limited
 - 10] Retail Concepts & Services (India) Ltd;
- and
- 11] Reliance Fresh Limited

Reliance Retail Limited

... Petitioner company

Mr. Virag Tulzapurkar, Senior Advocate with A.S.Doctor i/b.
Junnarkar & Associates for petitioners

Ms.S. I. Shah for secured creditor (Central Warehousing Corpn)

Ms. Rachna Kapasi i/b. Pimenta Kapasi & Co. for Royal Electric Co.

Mr. Gaurav Agarwal for Sony Music Entertainment

Mr. N. D. Sharma for ROC

CORAM : S.C.DHARMADHIKARI, J

14th October, 2011.

P.C.:

- 1) This is a company petition seeking approval of this court to the scheme of arrangement among several entities whose names are enlisted in the petition. The jurisdiction of this court under section 391 to 394 of the Companies Act, 1956 has been invoked by the petitioner. The details in the relation to the company, its memorandum of association and the details of its share capital have been set out. Equally, details in the relation to the transferee company have also been set out. It is stated that the Board of Directors held at meeting and has approved the scheme of arrangement. Audited balance sheet and Profit and Loss account for the year ended 31st March 2010 and provisional balance sheet dated 31st March 2011 along with Profit and Loss account of the petitioner company, transferor company and transferee company are annexed to the petition. The respective board of the directors of the transferor company and the board of directors of the transferee company have convened respective meetings and approved the scheme of arrangement which provides for merger of the transferor company with transferee company whereby entire business, without any further act, deed, matter or thing, be transferred to and vested in or be deemed to be transferred to in the transferee company, on a going concern basis. The scheme with its salient features is referred to the petition and a copy thereof has been duly annexed. The petition sets out as to how compliance with each of the statutory requirements has been made by the petitioner. In addition, it is stated that the circumstances/reasons set out in the petition and the scheme have necessitated the arrangement made. The scheme and its benefits are also set out.
- 2) It has then pointed out as to how the scheme will not be prejudicial to the interest of creditors, shareholders and general public. The de-merger is for reduction of cost and improving administrative and operational efficiency. The compliances are referred to in paras 14 to 19 of the petition and, thereafter, it has been set out as to how the creditors of the company are in no way affected as there is no reduction in the amount paid to any of them. A special resolution has also been referred to in para 23 and 24 of the petition.
- 3) From a reading of the petition and the annexures thereto I am satisfied that the scheme as proposed does not contravene the interest of any shareholders, creditors or general public. The same is to minimise cost and improving administrative and operational efficiency. It has no adverse effect on the interest of shareholders and creditors because the liabilities of the creditors are not in any way being curtailed or reduced. In these circumstances and when all declarations and statements have been made on oath, this is a fit case where the scheme should be approved.
- 4) Even the Regional Director has stated that he has no objection to the scheme being sanctioned and approved by this Court. There are, however, two objectors, one of which is a statutory corporation, i.e. Central Warehousing Corporation. Mrs. Shah appearing for the said Corporation submits that the Corporation has a claim against the petitioners. The said claim has not been secured although admitted. Mr. Tulzapurkar, learned Senior Counsel appearing for the petitioners on instructions makes a statement that the claim of the Central Warehousing Corporation in the books of accounts of the petitioner is to the tune of Rs. 96 lakhs and the petitioner is ready and willing to furnish a Bank Guarantee for that sum, drawn in favour of Prothonotary & Senior Master/Registrar (OS) of this Court. All that he submits that this Bank Guarantee should be kept alive for a limited period within which the Central Warehousing Corporation should establish and prove its claim by the institution of appropriate proceedings. If the appropriate proceedings are instituted, the bank guarantee then shall abide by the orders and directions therein.
- 5) Mrs. Shah states that the claim of Rs. 96 lakhs as stated in any event is admitted sum and ought to have been paid by the petitioner in full. Therefore, the bonafides having been demonstrated by the petitioner, this Court should consider the objection of the Statutory Corporation as the dues which are to be recovered are public dues and money.
- 6) After hearing both sides on this aspect I am of the view that in the light of the statements made by Mr. Tulzapurkar, without prejudice to the rights and contentions of respective parties, of furnishing bank guarantee of Rs. 96 lakhs, in favour of Prothonotary & Senior Master, it sufficiently secures and protects the claim, if any of the Statutory Corporation. These are not proceedings in which the claim can be adjudicated and the amounts due and payable, determined and decided. The Corporation even if it is statutory, would have to adopt appropriate proceedings to recover money outstanding or allegedly due and payable. For the present, it is directed that petitioner shall furnish bank guarantee in the sum of Rs. 96 lakhs, which bank guarantee shall be kept alive for a period of four months. Within this period, the said Corporation shall institute appropriate proceedings and then apply for interim reliefs therein. Needless to state that if within this period the Corporation does not initiate any legal proceedings for the recovery, the bank guarantee shall be returned to the petitioners, duly discharged.
- 7) There is another claim which is stated to be settled and Mr. Tulzapurkar states that the claim of that partnership firm has already been satisfied. However, the learned Counsel for the said firm viz, M/s. Royal Electric Company states that till date the settled and agreed amount has not been received. Mr. Tulzapurkar submits that the very sum shall be remitted to this firm within one week from today. This statement on instructions is accepted.

- 8) As far as the objections which have been raised by one Babu Moomar, residing in the State of Kerala, is concerned, it is abundantly clear that a civil suit has been filed by the said creditor in the competent court in the state of Kerala and Mr. Tulzapurkar states that the said claim is contested by filing a written statement. In the light of the pending suit and the unsecured creditor being free to apply for such reliefs, as permissible in law, no order or direction in relation to this, claim need be issued.
- 9) In the light of the aforesaid, I am satisfied that the petitioners have demonstrated their bonafides and the scheme is neither prejudicial to the interest of creditors or share holders nor to the general public. In these circumstances, the company petition is made absolute in terms of prayer clauses (a) to (k).
- 10) In addition to the above order Judge's Order is also signed separately.

WITH

COMPANY SCHEME PETITION NOS. 361 TO 369 OF 2011

- 1) For the reasons and discussions made above, these company petitions are made absolute in terms of prayer clauses (a) to (j).

WITH

COMPANY SCHEME PETITION NO. 370 OF 2011

- 1) For the reasons and discussions in the order above, this Company Scheme Petition is made absolute in terms of prayer clauses (a) to (k).

Sd/-

(S. C. DHARMADHIKARI, J)

SCHEME OF ARRANGEMENT

AMONG

RELIANCE RETAIL LIMITED

(the “**Holding Company**”)

AND

RELIANCE AGRI PRODUCTS DISTRIBUTION LIMITED

AND

RELIANCE FOOD PROCESSING SOLUTIONS LIMITED

AND

RELIANCE HOME STORE LIMITED

AND

RELIANCE HYPERMART LIMITED

AND

RELIANCE INTEGRATED AGRI SOLUTIONS LIMITED

AND

RELIANCE LIFESTYLE HOLDINGS LIMITED

AND

RELIANCE SUPPLY CHAIN SOLUTIONS LIMITED

AND

RELIANCE WELLNESS LIMITED

AND

RETAIL CONCEPTS & SERVICES (INDIA) LIMITED

(all the above collectively, the “**Transferor Companies**” or “**Demerged Companies**”)

AND

RELIANCE FRESH LIMITED

(the “**Transferee Company**” or “**Resulting Company**”)

under Sections 391 to 394 of the Companies Act, 1956

INTRODUCTION

I. Description of Companies:

- A. Reliance Retail Limited (“**RRL**”) is a company incorporated under the Companies Act, 1956, and having its registered office at Maker Chambers IV, 9th Floor, 222, Nariman Point, Mumbai - 400 021 engaged in retail and wholesale trade business including sale and marketing of products in various segments/categories. Reliance Retail Limited has diversified in various fields of retail and wholesale trading and is undertaking the said businesses through its various wholly owned subsidiaries including Reliance Fresh Limited. RRL is hereinafter referred to as the “**Holding Company**”.
- B. Reliance Fresh Limited (“**RFL**”) is a company incorporated under the Companies Act, 1956 and is engaged in the business of sourcing and selling on a retail basis fruits, vegetables, food articles, groceries, fast moving consumer goods, lifestyle products, consumer durables, apparel and other goods of daily use and provision of various related services through neighborhood convenience stores. RFL is hereinafter referred to as the “**Resulting Company**” or the “**Transferee Company**”.
- C. RFL is the wholly owned subsidiary of the Holding Company and in turn RFL has several wholly owned subsidiaries also engaged in retail and wholesale trade business. The wholly owned subsidiaries of RFL involved in this arrangement are described below:
- a. Reliance Agri Products Distribution Limited (“**RAPDL**”) is a company incorporated under the Companies Act, 1956. RAPDL is engaged in the business of sourcing and selling various kinds of goods and products and providing various other services. RAPDL’s business activities are divided into two distinct divisions, that is (i) the **Trading Division**, which comprises the business of sourcing and selling goods in the nature of wholesale distribution of agriculture products including fruits, vegetables, processed foods, etc. for which it has set up a network of outlets in various formats including warehouses, distribution centres and offices throughout India; and (ii) the **Agency Division** which comprises the business of canvassing business for wholesalers and retailers, as a commission agent, for procurement of fruits, vegetables, cereals, rice, pulses, spices, nuts and other agricultural products.
- b. Reliance Food Processing Solutions Limited (“**RFPSL**”) is a company incorporated under the Companies Act, 1956. RFPSL is engaged in the business of procurement, grading, sorting and packaging of fruits, vegetables and staples through high quality machines in state-of-the-art processing centers and trading in agri-products. RFPSL’s business activities are divided into two distinct divisions that is (i) CPC Division which comprises the business of operation of Central Processing Centers for fruits and vegetables; and (ii) PCS Division which comprises the business of operation of Processing Centers for Staples.
- c. Reliance Home Store Limited (“**RHSL**”) is a company incorporated under the Companies Act, 1956. RHSL is engaged in the business of sourcing and selling goods and providing of consultancy services. RHSL’s business activities are divided into two distinct divisions that is (i) the **Trading Division** which comprises the business of sourcing and selling of goods in the nature of furniture, fixtures, house hold items, hardware, gadgets and other home improvement items through stores under the brands “Reliance Living Furnishing”, “Reliance Living Homeware” and “Reliance Home Kitchen”; and (ii) the Consultancy Division which comprises the business of providing consultancy services to corporates and SME clients for office furnishings and interior design planning.
- d. Reliance Hypermart Limited (“**RHL**”) is a company incorporated under the Companies Act, 1956. RHL is engaged in the business of operating large retail stores selling various goods and products and also makes investments. RHL’s business activities are divided into two distinct divisions that is (i) the Trading Division which comprises the business of sourcing and selling goods such as fruits, vegetables, food groceries, fast moving consumer goods, lifestyle products, consumer durables, apparel, footwear, auto accessories, telecom products and any other goods of daily use by operation of large stores under the brands “RelianceMart” and “RelianceSuper” in major cities and towns in India; and (ii) the Investment Division under which RHL makes investments in companies focused in providing real estate solutions for the organized retail industry and creating and operating retail stores including construction of malls.

- e. Reliance Integrated Agri Solutions Limited (“**RIASL**”) is a company incorporated under the Companies Act, 1956. RIASL is engaged in the business of sourcing and selling the goods in the nature of agri-inputs to farmers and also of selling of high quality agricultural produce including fruits, vegetables and staples to consumers. RIASL’s business activities are divided into two distinct divisions that is (i) **Agri Input Division** which comprises the business of sourcing and selling to farmers goods in the nature of agri-inputs such as fertilizers, pesticides, seeds, rural products including agricultural and farm produce. As part of this division, RIASL has employed qualified persons to assess the requirements of farmers and for sourcing and selling agri-inputs to farms and helping farmers obtained credit facilities and access to new technologies in farming; and (ii) the **Fruits and Vegetables Division** which comprises the business of selling fruits, vegetables, food groceries and other high quality agricultural products procured from farmers to consumers in the open market.
- f. Reliance Lifestyle Holdings Limited (“**RLHL**”) is a company incorporated under the Companies Act, 1956. RLHL’s business activities are divided into two distinct divisions, that is (i) the **Lifestyle Products and Investment Division** which comprises the business of sourcing and selling goods such as life style products, gems and jewellery, optical products, music books, toys, cosmetics and fragrances, sporting goods, gifting solutions, watches and accessories, etc. and provision of various related services through companies exclusively controlled and managed by RLHL; and (ii) the **Consultancy Division** which comprises the business of providing management consultancy services in relation to the organized retail business.
- g. Reliance Supply Chain Solutions Limited (“**RSCSL**”) is a company incorporated under the Companies Act, 1956. RSCSL is engaged in the logistics business and has a network of distribution and warehousing centers. RSCSL’s business activities are divided into three distinct divisions that is (i) the **Transport Division** which comprises business of planning and execution of primary movement of goods, vehicle tracking and vehicle fleet management; (ii) the **Distribution And Warehousing Division** which comprises of the business of infrastructure development, operating distribution centers, aggregation centers, cold storage and warehouses, and other value added services; and (iii) the **Supply Chain Planning And Consultancy Division** which comprises the business of designing and deployment of distribution and logistics solutions, network design and distribution centre design, distribution solutions and optimization, business process improvement, warehouse management, transportation planning and management.
- h. Reliance Wellness Limited (“**RWL**”) is a company incorporated under the Companies Act, 1956. RWL is engaged in the business of sourcing and selling the goods of the nature of health and wellness products and making of investments. RWL’s business activities are divided into two distinct divisions that is (i) the **Trading Division** which comprises the business of retailing of health and wellness products including allopathic, homeopathic and ayurvedic medicines, personal and beauty care products, optical products, OTC Medicines, nutrition and health foods, medical and fitness equipments, books and CDs related to health and wellness and provision of various related services; and (ii) **Investment Division** which comprises the business of investing in companies engaged in selling and leasing of retail spaces, construction of stores, creating and running malls, etc.
- i. Retail Concepts & Services (India) Limited (“**RC&SL**”) is a company incorporated under the Companies Act, 1956. RC&SL is engaged in the business of providing management support services and back-end supply chain support to wholesale and retail stores including trading in various products and also providing services for procurement of products. RC&SL’s business activities are divided into two distinct divisions, that is (i) the **Trading Division** which comprises the business of backend supply chain support to the “Sahakari Bhandar” stores of the Colaba Central Co-operative Consumers Wholesale and Retail Stores Limited and also trading in various kinds of the goods, fruits, vegetables, processed foods, groceries, FMCG products etc. and (ii) the **Services Division** which comprises the business of providing services in relation to procurement of fruits, vegetables and agri-products and providing of specialized consultancy services.
- D. RAPDL, RFPSL, RHSL, RHL, RIASL, RLHL, RSCSL, RWL and RC&SL are hereinafter collectively referred to as “**Demerged Companies**” or “**Transferor Companies**”. Each of RAPDL, RFPSL, RHSL, RHL, RIASL, RLHL, RSCSL, RWL and RC&SL are wholly owned subsidiaries of RFL and consequently are wholly owned subsidiaries of RRL, i.e, the Holding Company.

II. Rationale for the Scheme of Arrangement:

- a. In order to create enhanced value for shareholders and with a view to have a focused strategy in core operations, the Holding Company has decided to restructure its value format business operations so as to segregate similar trading and related operations and to house the same in a single company i.e. RFL, instead of several companies carrying on the same business.
- b. The proposed restructuring is considered to be in the best interest of all companies as it will enable greater and sharper focus on the retail and wholesale trading business under the value format, which segment has tremendous potential and is a future growth area.
- c. It is therefore, necessary to create a single larger entity rather than smaller companies all engaged in similar business and in turn, it will enable RAPDL, RFPSL, RHSL, RHL, RIASL, RLHL, RSCSL, RWL and RC&SL to focus solely on their respective other unrelated businesses, which can also be thereby optimized.
- d. With the foregoing objective, it is proposed to demerge the trading and related operations, which are interlinked and similar and can be conveniently combined, of each of RAPDL, RFPSL, RHSL, RHL, RIASL, RLHL, RSCSL, RWL and RC&SL and to transfer the same to RFL. This will enable the creation of a larger company which will exclusively focus on one area of business and also have a greater capacity to raise finance and expand operations.
- e. The demerger would also achieve synergies and economies of scale by reducing duplication of costs and improving administrative and operational efficiency.
- f. As incidental to and consequent on the restructuring, the Holding Company considers it necessary that its issued (but uncalled and unpaid) share capital be reduced.

Accordingly it is proposed to demerge the concerned undertakings of each of RAPDL, RFPSL, RHSL, RHL, RIASL, RLHL, RSCSL, RWL and RC&SL pursuant to a Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 and to transfer the same to RFL and as incidental to and as a consequence of the demerger to reduce the issued share capital of the Holding Company (i.e. RRL).

III. Effect of the Scheme:

- a. This Scheme of Arrangement is a composite scheme providing for the demerger of the respective trading and related operations of each of the Transferor Companies to the Transferee Company and the consequent reduction in the issued share capital of the Holding Company.
- b. The demerger of the respective undertakings of the Transferor/Demerged Companies, all wholly owned subsidiaries of the Transferee/Resulting Company and also wholly owned subsidiaries of the Holding Company, under this Scheme of Arrangement will be effected under the provisions of Sections 391 to 394 of the Companies Act, 1956 and in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961, such that:
 - (i) All the properties forming part of the Demerged Undertakings (as hereinafter defined), being transferred by the Demerged Companies (viz. RAPDL, RFPSL, RHSL, RHL, RIASL, RLHL, RSCSL, RWL and RC&SL), immediately before the demerger, becomes the properties of the Resulting Company by virtue of the demerger;
 - (ii) All the liabilities relateable to the Demerged Undertakings, being transferred by the Demerged Companies, immediately before the Demerger, become the liabilities of the Resulting Company by virtue of the Demerger;
 - (iii) The properties and the liabilities of the Demerged Undertakings being transferred to the Resulting Company at the values appearing in the respective books of account of the Demerged Companies immediately before the Demerger;
 - (iv) All the Demerged Companies are wholly owned subsidiaries of the Resulting Company. Therefore, the shareholders of the Transferor Companies are the Resulting Company and its nominee and there will be no change in such shareholding; and
 - (v) The transfer of the Demerged Undertakings will be on a going concern basis.
- c. This Scheme of Arrangement also provides for all consequential and incidental matters necessitated by and an integral part of the demerger of the Demerged Undertakings.

IV. Parts of the Scheme:

This Scheme of Arrangement is divided into the following parts:

PART I: dealing with interpretation and share capital of each Company;

PART II: dealing with the demerger of the Demerged Undertakings (as hereinafter defined) to the Resulting Company;

PART III: dealing with the Remaining Undertakings (as hereinafter defined) of each of the Transferor Companies;

PART IV: dealing with the reduction of the issued share capital of the Holding Company;

PART V: dealing with the accounting treatment for the demerger under this Scheme of Arrangement;

PART VI: dealing with general matters applicable to this Scheme of Arrangement.

PART I
INTERPRETATION AND SHARE CAPITAL

1. INTERPRETATION

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

- a) “**Act**” shall mean the Companies Act, 1956 including any statutory modification or re-enactment thereof or amendment thereto, from time to time.
- b) “**Appointed Date**” shall mean 1st April 2010, or such other date as may be approved by the High Court;
- c) “**Demerged Companies**” or “**Transferor Companies**” shall mean the First Transferor Company, the Second Transferor Company, the Third Transferor Company, the Fourth Transferor Company, the Fifth Transferor Company, the Sixth Transferor Company, the Seventh Transferor Company, the Eighth Transferor Company and the Ninth Transferor Company collectively and “**Demerged Company**” or “**Transferor Company**” shall mean any of them as the context may require;
- d) “**Demerged Undertaking**” in relation to each of the Transferor Companies shall mean the following:
 - I. “**RAPDL Demerged Undertaking**” shall mean the entire undertaking of RAPDL pertaining to its Trading Division which comprises the business of sourcing and selling goods in the nature of wholesale distribution of agriculture products including fruits, vegetables, processed foods, etc. for which it has set up a network of outlets in various formats including warehouses, distribution centres and offices throughout India and comprises all assets and liabilities pertaining thereto including the following:
 - (i) All assets and properties of RAPDL (whether movable or immovable, if any, tangible or intangible, corporeal or incorporeal and whether present, future or contingent) forming part of the Trading Division of RAPDL including plant and machinery, capital work in progress, raw materials, stock, current assets (including inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (including lease rights), and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RAPDL in relation to or forming part of its Trading Division and including but without being limited to trade and service names and marks, patents, copyrights, internet, and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the Trading Division of RAPDL and further including specifically the assets described in **Part A of Schedule I** hereto;
 - (ii) All earnest moneys and/or security deposits paid by RAPDL in connection with or relating to its Trading Division;
 - (iii) All records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Trading Division of RAPDL and all other interests of whatsoever nature, kind and description belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RAPDL in relation to its Trading Division;
 - (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RAPDL of every kind, nature and description whatsoever and howsoever arising in

relation to or for or in connection with its Trading Division, including specifically the liabilities listed in **Part B of Schedule I** hereto; and

- (v) All employees engaged or employed by RAPDL in relation to and forming part of its Trading Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the Trading Division of RAPDL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the Trading Division of RAPDL.

II. **“RFPSL Demerged Undertaking”** shall mean the entire undertaking of RFPSL pertaining to its CPC Division which comprises the business of procurement, grading, sorting and packaging of fruits and vegetables through operation of state-of-the-art Central Processing Centres with high quality machines and trading in agri-products and comprises all assets and liabilities pertaining thereto including the following:

- (i) All assets and properties of RFPSL (whether movable or immovable, if any, tangible or intangible, corporeal or incorporeal and whether present, future or contingent) forming part of the CPC Division of RFPSL, including plant and machinery, capital work in progress, raw materials, stock, current assets (including inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (including lease rights), and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RFPSL in relation to or forming part of its CPC Division and including but without being limited to trade and service names and marks, patents, copyrights, internet and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the CPC Division of RFPSL and further including specifically the assets described in **Part A of Schedule II** hereto;
- (ii) All earnest moneys and/or security deposits paid by RFPSL in connection with or relating to its CPC Division;
- (iii) All records, files, papers, computer programmes, manuals, data, catalogue, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the CPC Division of RFPSL and all other interests of whatsoever nature, kind and description belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RFPSL in relation to its CPC Division;
- (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RFPSL of every kind, nature and description whatsoever and howsoever arising in relation to or for or in connection with its CPC Division, including specifically the liabilities listed in **Part B of Schedule II** hereto; and
- (v) All employees engaged or employed by RFPSL in relation to and forming part of its CPC Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the CPC Division of RFPSL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the CPC Division of RFPSL.

III. “RHSL Demerged Undertaking” shall mean the entire undertaking of RHSL pertaining to its Trading Division which comprises the business of sourcing and selling of goods in the nature of furniture, fixtures, house hold items, hardware, gadgets and other home improvement items through stores under the brands “Reliance Living Furnishing”, “Reliance Living Homeware” and “Reliance Home Kitchen” and comprises all assets and liabilities pertaining thereto including the following:

- (i) All assets and properties of RHSL (whether movable or immovable, if any, tangible or intangible, corporeal or incorporeal and whether present, future or contingent) forming part of the Trading Division of RHSL including plant and machinery, capital work in progress, raw materials, stock, current assets (including inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (Including lease rights), and hire purchase contracts and assets, lending contracts, benefit of my security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RHSL in relation to or forming part of its Trading Division and including but without being limited to trade and service names and marks, patents, copyrights, Internet and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, Internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the Trading Division of RHSL and further including specifically the assets described in **Part A of Schedule III** hereto;
- (ii) All earnest moneys and/or security deposits paid by RHSL in connection with or relating to its Trading Division;
- (iii) All records, files, papers, computer programmes, manuals, data, catalogue, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Trading Division of RHSL and all other interests of whatsoever nature, kind and description belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RHSL in relation to its Trading Division;
- (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RHSL of every kind, nature and description whatsoever and howsoever arising in relation to or for or in connection with its Trading Division, including specifically the liabilities listed in **Part B of Schedule III** hereto; and
- (v) All employees engaged or employed by RHSL in relation to and forming part of its Trading Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the Trading Division of RHSL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the Trading Division of RHSL.

IV. “RHL Demerged Undertaking” shall mean the entire undertaking of RHL pertaining to its Trading Division which comprises the business of sourcing and selling goods such as fruits, vegetables, food groceries, fast moving consumer goods, lifestyle products, consumer durables, apparel, footwear, auto accessories, telecom products and any other goods of daily use by operation of large stores under the brands “RelianceMart” and “RelianceSuper” in major cities and towns in India and comprises all assets and liabilities pertaining thereto including the following:

- (i) All assets and properties of RHL (whether movable or immovable, if any, tangible or intangible, corporeal or incorporeal and whether present, future or contingent) forming part of the Trading

Division of RHL including plant and machinery, capital work in progress, raw materials, stock, current assets (including inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (including lease rights), and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RHL in relation to or forming part of its Trading Division and including but without being limited to trade and service names and marks, patents, copyrights, Internet and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the Trading Division of RHL and further including specifically the assets described in **Part A of Schedule IV** hereto;

- (ii) All earnest moneys and/or security deposits paid by RHL in connection with or relating to its Trading Division;
- (iii) All records, files, papers, computer programmes, manuals, data, catalogue, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Trading Division of RHL and all other interests of whatsoever nature, kind and description belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RHL in relation to its Trading Division;
- (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RHL of every kind, nature and description whatsoever and howsoever arising in relation to or for or in connection with its Trading Division, including specifically the liabilities listed in **Part B of Schedule IV** hereto; and
- (v) All employees engaged or employed by RHL, in relation to and forming part of its Trading Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the Trading Division of RHL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the Trading Division of RHL.

V. “RIASL Demerged Undertaking” shall mean the entire undertaking of RIASL pertaining to its Fruits and Vegetables Division which comprises the business of selling fruits, vegetables, food groceries and other high quality agricultural products procured from farmers to consumers in the open market and comprises all assets and liabilities pertaining thereto including the following:

- (i) All assets and properties of RIASL (whether movable or immovable, if any, tangible or intangible, corporeal or incorporeal and whether present, future or contingent) forming part of the Fruits and Vegetables Division of RIASL including plant and machinery, capital work in progress, raw materials, stock, current assets (including inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (including lease rights), and hire purchase contracts and assets, leading contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales

tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RIASL in relation to or forming part of its Fruits and Vegetables Division and including but without being limited to trade and service names and marks, patents, copyrights, internet and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the Fruits and Vegetables Division of RIASL and further Including specifically the assets described in **Part A of Schedule V** hereto;

- (ii) All earnest moneys and/or security, deposits paid by RIASL in connection with or relating to its Fruits and Vegetables Division;
- (iii) All records, files, papers, computer programmes, manuals, data, catalogue, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Fruits and Vegetables Division of RIASL and all other interests of whatsoever nature, kind and description belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RIASL in relation to its Fruits and Vegetables Division;
- (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RIASL of every kind, nature and description whatsoever and howsoever arising in relation to or for or in connection with its Fruits and Vegetables Division, including specifically the liabilities listed in **Part B of Schedule V** hereto; and
- (v) All employees engaged or employed by RIASL in relation to and forming part of its Fruits and Vegetables Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the Fruits and Vegetables Division of RIASL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the Fruits and Vegetables Division of RIASL.

VI. “RLHL Demerged Undertaking” shall mean the entire undertaking of RLHL pertaining to its Consultancy Division which comprises the business of providing management consultancy services in relation to the organized retail business and comprises all assets and liabilities pertaining thereto including the following:

- (i) All assets and properties of RLHL (whether movable or immovable, if any, tangible or intangible, corporeal or Incorporeal and whether present, future or contingent) forming part of the Consultancy Division of RLHL including plant and machinery, capital work in progress, raw materials, stock, current assets (Including inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (including lease rights), and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licences, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RLHL in relation to or forming part of its Consultancy Division and including but without being limited to trade and service names and marks, patents, copyrights, internet and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased

line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the Consultancy Division of RLHL and further including specifically the assets described in **Part A of Schedule VI** hereto;

- (ii) All earnest moneys and/or security deposits paid by RLHL in connection with or relating to its Consultancy Division;
- (iii) All records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Consulting Division of RLHL and all other interests of whatsoever nature, kind and description belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of enjoyed by RLHL in relation to its Consultancy Division;
- (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RLHL of every kind, nature and description whatsoever and howsoever arising in relation to or for or in connection with its Consultancy Division, including specifically the liabilities listed in **Part B of Schedule VI** hereto; and
- (v) All employees engaged or employed by RLHL in relation to and forming part of its Consultancy Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the Consultancy Division of RLHL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the Consultancy Division of RLHL.

VII. “RSCSL Demerged Undertaking” shall mean the entire undertaking of RSCSL pertaining to its Distribution and Warehousing Division which comprises the business of infrastructure development, operating distribution centres, aggregation centers, cold storage and warehouses, and other value added services and comprises all assets and liabilities pertaining thereto including the following:

- (i) All assets and properties of RSCSL (whether movable or immovable, if any, tangible or intangible, corporeal or incorporeal and whether present, future or contingent) forming part of the Distribution and Warehousing Division of RSCSL including plant and machinery, capital work in progress, raw materials, stock, current assets (including, inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (including lease rights), and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licences, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RSCSL in relation to or forming part of its Distribution and Warehousing Division and including but without being limited to trade and service names and marks, patents, copyrights, internet and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the Distribution and Warehousing Division of RSCSI and further including specifically the assets described in **Part A of Schedule VII** hereto;
- (ii) All earnest moneys and/or security deposits paid by RSCSL in connection with or relating to its Distribution and Warehousing Division;

- (iii) All records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Distribution and Warehousing Division of RSCSL and all other interests of whatsoever nature, kind and description belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RSCSL in relation to its Distribution and Warehousing Division;
- (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RSCSL of every kind, nature and description whatsoever and howsoever arising in relation to or for or in connection with its Distribution and Warehousing Division, including specifically the liabilities listed in **Part B of Schedule VII** hereto; and
- (v) All employees engaged or employed by RSCSL in relation to and forming part of its Distribution and Warehousing Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the Distribution and Warehousing Division of RSCSL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the Distribution and Warehousing Division of RSCSL.

VIII. “RWL Demerged Undertaking” shall mean the entire undertaking of RWL pertaining to its Trading Division which comprises the business of retailing of health and wellness products including allopathic, homeopathic and ayurvedic medicines, personal and beauty care products, optical products, OTC Medicines, nutrition and health foods, medical and fitness equipments, books and CD’s related to health and wellness and provision of various related services and comprises all assets and liabilities pertaining thereto including the following:

- (i) All assets and properties of RWL (whether movable or immovable, if any, tangible or intangible, corporeal or incorporeal and whether present, future or contingent) forming part of the Trading Division of RWL including plant and machinery, capital work in progress, raw materials, stock, current assets (including inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (including lease rights), and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licences, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest held in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RWL in relation to or forming part of its Trading Division and including but without being limited to trade and service names and marks, patents, copyrights, internet and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the Trading Division of RWL and further including specifically the assets described in **Part A of Schedule VIII** hereto;
- (ii) All earnest moneys and/or security deposits paid by RWL in connection with or relating to its Trading Division;
- (iii) All records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Trading Division of RWL and all other interests of whatsoever nature, kind and description belonging to or

in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RWL in relation to its Trading Division;

- (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RWL of every kind, nature and description whatsoever and howsoever arising in relation to or for or in connection with its Trading Division, including specifically the liabilities listed in **Part B of Schedule VIII** hereto; and
- (v) All employees engaged or employed by RWL in relation to and forming part of its Trading Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the Trading Division of RWL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the Trading Division of RWL.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking of any Transferor Company or whether it arises out of the activities or operations of the Demerged Undertaking of a Transferor Company shall be decided by mutual agreement between the Board of Directors of the concerned Demerged Company and the Board of Directors of the Resulting Company.

IX. “RC&SL Demerged Undertaking” shall mean the entire undertaking of RC&SL pertaining to its Trading Division which comprises the business of backend supply chain support to the ‘Sahakari Bhandar’ stores of the Colaba Central Co-operative Consumers Wholesale and Retail Stores Limited and also trading in various kinds of the goods, fruits, vegetables, processed foods, groceries, FMCG products etc, and comprises all assets and liabilities pertaining thereto including the following:

- (i) All assets and properties of RC&SL (whether movable or immovable, if any, tangible or intangible, corporeal or incorporeal and whether present, future or contingent) forming part of the Trading Division of RC&SL including plant and machinery, capital work in progress, raw materials, stock, current assets (including inventories, sundry debtors, loans and advances), furniture, fixtures, office equipment, appliances, accessories, deposits, contingent rights or benefits, receivables, financial assets, leases (including lease rights), and hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licences, municipal permissions, consents, approvals, subsidies, tenancies in relation to the office, if any, leases, fixed and other assets, benefits of assets or properties or other interest hold in trust, registrations, contracts, liberties, engagements, arrangements of all kind, privileges and all other rights including sales tax benefits, loans or deferrals, title, interests, benefits and advantages of whatsoever nature and wheresoever situate 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 RC&SL in relation to or forming part of its Trading Division and including but without being limited to trade and service names and marks, patents, copyrights, internet and other domain registration(s) and other intellectual property rights of any nature whatsoever, authorisations, permits, approvals, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds and benefits of all agreements and interests in connection with the Trading Division of RC&SL and further including specifically the assets described in **Part A of Schedule IX** hereto;
- (ii) All earnest moneys and/or security deposits paid by RC&SL in connection with or relating to its Trading Division;
- (iii) All records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Trading Division of RC&SL and all other interests of whatsoever nature, kind and description belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RC&SL in relation to its Trading Division;

- (iv) All debts (whether secured or unsecured), liabilities (including contingent liabilities), duties and obligations of RC&SL of every kind, nature and description whatsoever and howsoever arising in relation to or for or in connection with its Trading Division, including specifically the liabilities listed in **Part B of Schedule IX** hereto; and
- (v) All employees engaged or employed by RC&SL in relation to and forming part of its Trading Division;

For the purpose of this definition, the “liabilities” under sub-clause (iv) above shall include the following:

- (a) liabilities which accrue or arise out of the activities or operations of the Trading Division of RC&SL;
- (b) specific loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the Trading Division of RC&SL.
- e) **“Demerged Undertakings”** shall mean collectively all RAPDL Demerged Undertaking, RFPSL Demerged Undertaking, RHSL Demerged Undertaking, RHL Demerged Undertaking, RIASL Demerged Undertaking, RLHL Demerged Undertaking, RSCSL Demerged Undertaking, RWL Demerged Undertaking and RC&SL Demerged Undertaking.
- f) **“Effective Date”** shall mean the last of the dates on which the Order of the High Court sanctioning the Scheme of Arrangement is filed with the Registrar of Companies by the Demerged Companies and the Resulting Company References in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” shall mean the Effective Date.
- g) **“High Court”** shall mean the High Court of Judicature at Bombay having jurisdiction over the Demerged Companies and the Resulting Company.
- h) **“Holding Company”** or **“RRL”** shall mean Reliance Retail Limited, a company incorporated under the Act having its registered office at Maker Chambers IV, 9th Floor, 222, Nariman Point, Mumbai - 400 021 in the State of Maharashtra.
- i) **“Income Tax Act”** shall mean the Income Tax Act, 1961 including any statutory modification or re-enactment thereof or amendment thereto for the time being in force.
- j) **“Remaining Undertakings”** shall mean collectively all of the RAPDL Remaining Undertaking, RFPSL Remaining Undertaking, RHSL Remaining Undertaking, RHL Remaining Undertaking, RIASL Remaining Undertaking, RLHL Remaining Undertaking, RSCSL Remaining Undertaking, RWL Remaining Undertaking and RC&SL Remaining Undertaking.
- k) **“Resulting Company”** or **“Transferee Company”** shall mean Reliance Fresh Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, ‘C’ Wing, Thane - Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.
- l) **“Schedules”** shall mean the schedules to this Scheme.
- m) **“Scheme”** shall mean this composite Scheme of Arrangement for the demerger of the respective Demerged Undertaking of each of the Transferor Companies to the Transferee Company and reduction of share capital of the Holding Company as submitted in the present form to the High Court or with any modification(s) approved or imposed or directed by the High Court.
- n) **“Transferor Companies”** or **“Demerged Companies”** shall mean collectively the following Companies:
 - i) **“RAPDL”** or **“First Transferor Company”** shall mean Reliance Agri Products Distribution Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, ‘C’ Wing, Thane-Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.
 - ii) **“RFPSL”** or **“Second Transferor Company”** shall mean Reliance Food Processing Solutions Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, “C” Wing, Thane-Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.

- iii) **“RHSL” or “Third Transferor Company”** shall mean Reliance Home Store Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, ‘C’ Wing, Thane-Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.
 - iv) **“RHL” or “Fourth Transferor Company”** shall mean Reliance Hypermart Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, “C” Wing, Thane-Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.
 - v) **“RIASL” or “Fifth Transferor Company”** shall mean Reliance Integrated Agri Solutions Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, ‘C’ Wing, Thane-Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.
 - vi) **“RLHL” or “Sixth Transferor Company”** shall mean Reliance Lifestyle Holdings Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, ‘C’ Wing, Thane-Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.
 - vii) **“RSCSL” or “Seventh Transferor Company”** shall mean Reliance Supply Chain Solutions Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, ‘C’ Wing, Thane-Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.
 - viii) **“RWL” or “Eighth Transferor Company”** shall mean Reliance Wellness Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, ‘C’ Wing, Thane-Balapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra.
 - (ix) **“RC&SL” or “Ninth Transferor Company”** shall mean Retail Concepts & Services (India) Limited, a company incorporated under the Act and having its registered office at Reliance Corporate Park, Building No. 4, Ground Floor, “C” Wing, Thane-Belapur Road, Ghansoli, Navi Mumbai - 400 701 in the State of Maharashtra and the term “Transferor Company” shall mean any one of the Transferor Companies named above as the context may require.
- o) **“Remaining Undertaking”** in relation to each of the Transferor Companies shall mean the following:
- (i) **“RAPDL Remaining Undertaking”** shall mean the entire Agency Division of RAPDL which comprises the business of canvassing business for wholesalers and retailers, as a commission agent, for procurement of fruits, vegetables, cereals, rice, pulses, spices, nuts and other agricultural products together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RAPDL which do not form part of RAPDL Demerged Undertaking.
 - (ii) **“RFPSL Remaining Undertaking”** shall mean the entire PCS Division of RFPSL which comprises the business of operation of Processing Centres for Staples together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RFPSL which do not form part of RFPSL Demerged Undertaking.
 - (iii) **“RHSL Remaining Undertaking”** shall mean the entire Consultancy Division of RHSL which comprises the business of providing consultancy services to corporates and SME clients for office furnishings and interior design planning together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RHSL which do not form part of RHSL Demerged Undertaking.
 - (iv) **“RHL Remaining Undertaking”** shall mean the entire Investment Division of RHL under which RHL makes investments in companies focused in providing real estate solutions for the organized retail industry and creating and operating retail stores including construction of malls together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RHL which do not form part of RHL Demerged Undertaking.
 - (v) **“RIASL Remaining Undertaking”** shall mean the entire Agri Input Division of RIASL which comprises the business of sourcing and selling to farmers goods in the nature of agri-inputs such as fertilizers, pesticides, seeds, rural products including agricultural and farm produce and providing assistance to farmers to assess

their requirements and helping them to obtain credit facilities and access to new technologies in farming together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RIASL which do not form part of RIASL Demerged Undertaking.

- (vi) **“RLHL Remaining Undertaking”** shall mean the entire Lifestyle Products and Investment Division of RLHL which comprises the business of sourcing and selling goods such as life style products, gems and jewellery, optical products, music books, toys, cosmetics and fragrances, sporting goods, gifting solutions, watches and accessories, etc. and provision of various related services through companies exclusively controlled and managed by RLHL together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RLHL which do not form part of RLHL Demerged Undertaking.
- (vii) **“RSCSL Remaining Undertaking”** shall mean the entire Transport Division of RSCSL which comprises the business of planning and execution of primary movement of goods, vehicle tracking and vehicle fleet management and Supply Chain Planning and Consultancy Division which comprises the business of designing and deployment of distribution and logistics solutions, network design and distribution centre design, distribution solutions and optimization, business process improvement, warehouse management, transportation planning and management together with all properties, assets and liabilities relating to such businesses and all other assets and properties and liabilities of RSCSL which do and form part of RSCSL Demerged Undertaking.
- (viii) **“RWL Remaining Undertaking”** shall mean the entire Investment Division of RWL which comprises the business of investing in companies engaged in selling and leasing of retail spaces, construction of stores, creating and running malls, etc. together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RWL which do not form part of RWL Demerged Undertaking.
- (ix) **“RC&SL Remaining Undertaking”** shall mean the entire Services Division of RC&SL which comprises the business of providing services in relation to procurement of fruits, vegetables and agri-products and providing of specialized consultancy services together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RC&SL which do not form part of RC&SL Demerged Undertaking.

1.2 All terms 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 the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, byelaws, as the case may be or any statutory modifications or re-enactment thereof for the time being in force.

2. SHARE CAPITAL

2.1 Holding Company (RRL):

- (a) As per the audited annual accounts of the Holding Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Holding Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
15,000,000,000 Equity Shares of Rs. 10/- each	1,50,00,00,00,000	150,00,00,00,000
Issued, Subscribed and Paid-up Share Capital:		
Fully Paid-up		
3,900,000,000 Equity Shares of Rs. 10/- each fully paid-up	39,00,00,00,000	
Partly Paid-up		
6,100,000,000 Equity Shares of Rs. 10/- each partly paid-up of Rs.3 each	18,30,00,00,000	57,30,00,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Holding Company was as under.

	Rs.	Rs.
Authorised Share Capital:		
15,000,000,000 Equity Shares of Rs. 10/- each	1,50,00,00,00,000	150,00,00,00,000
Issued, Subscribed and Paid-up Share Capital:		
Fully Paid-up		
3,900,600,000 Equity Shares of Rs. 10/- each fully paid-up	39,00,60,00,000	
Partly Paid-up		
6,100,000,000 Equity Shares of Rs. 10/- each partly paid-up of Rs.3 each	18,30,00,00,000	57,30,60,00,000

- (c) The Holding Company is authorised to issue up to forty nine crore Restricted Stock Units (“RSUs”) to eligible employees (including employees of Reliance Industries Limited, the holding company of the Holding Company) under Reliance Retail Restricted Stock Unit Plan 2007. The RSUs vest on different dates over a period of sixteen years from the date of grant of RSUs as per the scheme announced and upon vesting, the employees are entitled to one equity share of Rs. 10 each for every RSU. As on March 31, 2010, RSUs in force total to five crore eleven lakh thirty six thousand three hundred ninety seven.

2.2 Transferor Companies

The authorised share capital and the issued, subscribed and paid-up share capital of each of the Demerged Companies is as under:

2.2.1 First Transferor Company (RAPDL):

- (a) As per the audited annual accounts of the First Transferor Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the First Transferor Company was as under:

	Rs	Rs
Authorised Share Capital:		
1,00,000 Equity Shares of Rs.10/- each.	10,00,000	10,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the First Transferor Company remained the same.

2.2.2 Second Transferor Company (RFPSL)

- (a) As per the audited annual accounts of the Second Transferor Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Second Transferor Company was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000	5,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Second Transferor Company remained the same.

2.2.3 Third Transferor Company (RHSL)

- (a) As per the audited annual accounts of the Third Transferor Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Third Transferor Company was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000	5,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Third Transferor Company remained the same.

2.2.4 Fourth Transferor Company (RHL)

- (a) As per the audited annual accounts of the Fourth Transferor Company an on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Fourth Transferor Company was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000	5,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Fourth Transferor Company remained the same.

2.2.5 Fifth Transferor Company (RIASL)

- (a) As per the audited annual accounts of the Fifth Transferor Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Fifth Transferor Company was an under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000	5,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 15th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Fifth Transferor Company remained the same.

2.2.6 Sixth Transferor Company (RLHL)

- (a) As per the audited annual accounts of the Sixth Transferor Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Sixth Transferor Company was at under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000	5,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Sixth Transfers Company remained the same.

2.2.7 Seventh Transferor Company (RSCSL)

- (a) As per the audited annual accounts of the Seventh Transferor Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Seventh Transfer Company was as under:

	Rs	Rs
Authorised Share Capital:		
10,10,000 Equity Shares of Rs.10/- each.	1,01,00,000	1,01,00,000
Issued, Subscribed and paid-up Share Capital:		
10,10,000 Equity Shares of Rs. 10/- each.	1,01,00,000	1,01,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Seventh Transferor Company remained the same.

2.2.8 Eighth Transferor Company (RWL)

- (a) As per the audited annual accounts of the Eighth Transferor Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Eighth Transferor Company was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000	5,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 18th January, 2011, the authorized, subscribed and paid-up share capital of the Eighth Transferor Company remained the same.

2.2.9 Ninth Transferor Company (RC&SL)

- (a) As per the audited annual accounts of the Ninth Transferor Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Ninth Transferor Company was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000	5,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Ninth Transferor Company remained the same.

2.3 Transferee Company (RFL)

- (a) As per the audited annual accounts of the Transferee Company as on 31st March 2010, the authorised, issued, subscribed and paid-up share capital of the Transferee Company was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000	5,00,000
Issued, Subscribed and paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000	5,00,000

- (b) As on 18th January, 2011, the authorized, issued, subscribed and paid-up share capital of the Transferee Company was as under:

	Rs	Rs
Authorised Share Capital:		
10,50,000 Equity Shares of Rs.10/- each.	1,05,00,000	1,05,00,000
Issued, Subscribed and paid-up Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000	1,05,00,000

3. DATE WHEN THE SCHEME COMES INTO OPERATION

The provisions of this Scheme shall be applicable and come into operation from the Appointed Date, but this Scheme shall become effective from the Effective Date.

PART II

DEMERGER OF DEMERGED UNDERTAKINGS TO RESULTING COMPANY

4. TRANSFER OF DEMERGED UNDERTAKINGS

- 4.1 (a) On the coming into effect of this Scheme and with effect from the Appointed Date, the whole of the Demerged Undertaking of each of the Transferor Companies shall be and stand demerged from the respective Transferor Companies and shall be and stand transferred to and vested in and shall be deemed to be transferred to and vested in the Transferee Company on a going concern basis pursuant to the provisions contained in Section 391 to Section 394 and other applicable provisions of the Act without any further act, deed, matter or thing such that all the properties, assets and liabilities comprised in each Demerged Undertaking immediately before the demerger becomes the properties, assets and liabilities of the Transferee Company by virtue of and in the manner provided in this Scheme.
- (b) It is clarified that all properties and assets acquired by any of the Transferor Companies after the Appointed Date but before the Effective Date in relation to or which form part of the Demerged Undertaking of the Transferor Company, shall also be and stand transferred to and vested in and shall be deemed to be transferred to and vested in the Transferee Company pursuant to the provisions contained in Section 391 to Section 394 and other applicable provisions of the Act without any further act, deed, matter or thing, so as to become the properties and assets of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 4.2 (a) The demerger and the transfer and vesting of the Demerged Undertakings to and in the Transferee Company under Clause 4.1 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
- (b) The Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by a Transferor Company and the Transferee Company shall not be obliged to create any further or additional security therefor after the Effective Date or otherwise.
- 4.3 On the coming into effect of this Scheme and with effect from the Appointed Date:
- (a) All the assets and properties comprised in the Demerged Undertakings, except for the portion dealt with under sub-clause (b) below, of whatsoever nature and wheresoever situate and which are incapable of passing by physical delivery, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company, on a going concern basis, so as to become as and from the Appointed Date, the assets and properties of the Transferee Company, subject however to the charges, if any, thereon as specified in Clause 4.2 and Clause 4.6 of this Scheme.
- (b) In respect of such of the assets and properties comprised in the Demerged Undertakings, as are movable in nature or are otherwise capable of transfer by physical delivery or by endorsement and/or delivery, the same shall be so transferred by the respective Transferor Companies and shall, upon such transfer, become the assets and properties of the Transferee Company, without requiring any deed or instrument or conveyance for the same and such delivery

and/or endorsement and delivery shall be made on a date mutually decided between the Board of Directors of the concerned Transferor Company and the Board of Directors of the Transferee Company.

4.4 On the coming into effect of this Scheme and with effect from the Appointed Date:

- (a) All the debts, liabilities, duties and obligations of every kind, nature and description including the contingent liabilities comprised in the respective Demerged Undertakings shall, pursuant to the sanction of the Scheme by the High Court under Sections 391 to 394 and other applicable provisions of the Act, and without any further act or deed, be also demerged to and transferred or be deemed to be transferred to and be assumed by the Transferee Company, so as to become on and from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the relative Transferor Companies and further 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.
- (b) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, forming part of the Demerged Undertakings and due or which may at any time in future become due between any Transferor Company and the Transferee Company or between any of the Transferor Companies inter-se shall stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the Appointed Date.
- (c)
 - (i) Where any of the liabilities of any Transferor Company in relation to its Demerged Undertaking, as on the Appointed Date, transferred to the Transferee Company have been discharged by the concerned Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
 - (ii) All loans raised and utilised and all debts, liabilities, duties, undertakings and obligations incurred or undertaken by any Transferor Company in relation to its Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, liabilities, duties, undertakings and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

4.5 Without prejudice to the provisions of Clause 4.4:

- (a) all debentures, bonds or other debt securities of each of the Transferor Companies relating to the liabilities comprised in the Demerged Undertakings, whether convertible into equity or otherwise, (hereinafter referred to as the “**Debt Securities**”) shall, pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, without any further act, instrument or deed become the Debt Securities of the Transferee Company on the same terms and conditions except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the concerned Transferor Company in respect of such Debt Securities.
- (b) Any Debt Securities issued by any of the Transferor Companies in respect of liabilities forming part of the Demerged Undertakings and held by the Transferee Company shall stand cancelled as on the Effective Date, and shall be of no effect and the concerned Transferor Companies or the Transferee Company, as the case may be, shall have no further rights or obligations in that behalf.

4.6 Without prejudice to the generality of Clause 4.2 above:

- (a) The existing securities, mortgages, charges, encumbrances or liens (“**Encumbrances**”) over the properties and assets comprised in the Demerged Undertakings or any part thereof transferred to the Transferee Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to only such properties and

assets of any part thereof to which they related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets and properties of the Transferee Company or any part thereof or to any of the assets and properties of the other Transferor Companies transferred to the Transferee Company pursuant to this Scheme, save to the extent warranted by the terms of any existing security arrangements to which the Transferor Companies and the Transferee Company are party, and consistent with the joint obligations assumed by them under such arrangements or unless specifically agreed to by the Transferee Company with the concerned secured creditors of the Transferor Companies with the consent of such of the secured creditors of the Transferee Company as are affected by such arrangements.

- (b) With effect from the Effective Date, the Encumbrances over the properties and assets of the Transferor Companies or any part thereof, in so far as and to the extent the same secure liabilities comprised in the Demerged Undertakings transferred to and assumed by the Transferee Company, such Encumbrances shall, without any further act or deed, be and stand modified to the extent that all the properties and assets comprised in the Remaining Undertakings shall stand released and discharged therefrom and the Encumbrances shall only extend to and continue to operate against the properties and assets comprised in the Demerged Undertakings as transferred to the Transferee Company in terms of this Scheme. Likewise, the Encumbrances over the properties and assets of the Transferor Companies in so far as and to the extent the same secure liabilities of the Remaining Undertakings which are retained with the Demerged Companies, such Encumbrances shall, on the Effective Date, without any further act or deed, be and stand modified to the extent that all the properties and assets comprised in the Demerged Undertakings shall stand released and discharged therefrom and such Encumbrances shall only extend to and continue to operate against the properties and assets or any part thereof forming part of the Remaining Undertakings which are retained with the Transferor Companies.
- (c) Any reference in any security documents or arrangements (to which the Transferor Companies are a party) to the Demerged Companies and the assets and properties comprised in the Demerged Undertakings shall be construed as a reference to the Transferee Company and the assets and properties comprised in the Demerged Undertakings vested in the Transferee Company.
- (d) In so far as the existing securities, mortgages, charges, encumbrances or liens over the assets and properties of the Transferee Company or any part thereof and relating to liabilities of the Transferee Company prior to the demerger under this Scheme of Arrangement are concerned, such securities, mortgages, charges, encumbrances or liens shall continue to relate or attach to only such assets and properties of the Transferee Company but such shall not extend to, or relate or attach to, any of the assets and properties of the Transferor Companies or any part thereof transferred to and vested in the Transferee Company by virtue of this Scheme, save to the extent warranted by the terms of any existing security arrangements to which the Transferor Companies and the Transferee Company are party, and consistent with the joint obligations assumed by them under such arrangements or unless specifically agreed to by the Transferee Company with the concerned secured creditors of the Transferee Company, and subject to the consent of such of the secured creditors of the Transferor Companies as are affected by such arrangements.

4.7 With effect from the Appointed Date, all inter-party transactions between any of the Transferor Companies and the Transferee Company or between any of the Transferor Companies inter-se in relation to the Demerged Undertakings shall be considered as intra-party transactions for all purposes from the Appointed Date.

5. CONDUCT OF BUSINESS BY TRANSFEROR COMPANIES FROM APPOINTED DATE TO EFFECTIVE DATE:

- (a) With effect from the Appointed Date and up to the Effective Date:
 - (i) The Transferor Companies shall carry on and shall be deemed to have carried on their respective business and activities pertaining to their respective Demerged Undertakings as hitherto and shall hold and stand possessed of and shall be deemed to have held and stand possessed of their respective Demerged Undertakings on account of, and for the benefit of any in trust for, the Transferee Company;
 - (ii) All the profits or incomes accruing or arising to the Transferor Companies in respect of the Demerged Undertakings, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Companies in respect of the Demerged Undertakings shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes and expenditure or losses and taxes of the Transferee Company, as the case may be and shall be available to the Transferee

Company for being disposed off in any manner as it thinks fit, including declaration of dividend and the Transferor Companies shall not utilize such profits or income during the period falling on or after the Appointed Date for the purposes of declaring or paying any dividend without the prior written consent of the Transferee Company;

- (iii) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Demerged Undertakings and exercised by or available to the Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, relating or pertaining to the Demerged Undertakings that have been undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
- (b) With effect from the first of the dates of filing of this Scheme with the High Court and upto and including the Effective Date:
 - (i) The Transferor Companies shall carry on their respective business and activities with reasonable diligence and business prudence and shall not sell, transfer, alienate, charge, mortgage or encumber or deal with their respective Demerged Undertakings or any part thereof save and except in each case in the following circumstances:
 - (ia) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
 - (ib) if the same is expressly permitted by this Scheme; or
 - (ic) if written consent of the Transferee Company has been obtained.
 - (ii) The Transferor Companies shall not vary or modify the terms and conditions of employment of any of their respective employees relating to their respective Demerged Undertakings, except with the written consent of the Board of Directors of the Transferee Company.
- (c) As and from the Appointed Date and till the Effective Date:
 - (i) All debts, liabilities, duties and obligations as on the close of business on the date immediately preceding the Appointed Date, whether or not provided in the books of the Transferor Companies in respect of the Demerged Undertakings, and all debts, liabilities, duties and obligations relating thereto, which arise or accrue to the Transferor Companies on or after the Appointed Date, shall be deemed to be the debts, liabilities, duties and obligations of the Transferee Company.
 - (ii) All assets and properties comprised in the Demerged Undertakings 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 assets and properties relating thereto, which arise or accrue or are acquired to or by the Transferor Companies on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company.

6. LEGAL PROCEEDINGS

On and from the Appointed Date, all suits, actions and legal proceedings by or against any of the Transferor Companies in relation to or in connection with the Demerged Undertakings shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

7. CONTRACTS, DEEDS, ETC.

- (a) On the coming into effect of this Scheme, and subject to the provisions hereof, all contracts, deeds, bonds, agreements, arrangements and other instruments in relation to the Demerged Undertakings of whatsoever nature to which any of the Transferor Companies are a party or to the benefit of which they or any of them are eligible, and which are subsisting or having effect on the Effective Date, shall, without any further act, instrument or deed, be in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the concerned Transferor Company, the Transferee Company had been a party or obligee thereunder.

- (b) Without prejudice to the provisions of this Scheme and notwithstanding that the transfer and vesting of the Demerged Undertakings takes place by virtue of this Scheme, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement pertaining to the Demerged Undertakings and to which any Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of sub-clause (a) of this Clause 9. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Companies.
- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that on the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies in relation to their respective Demerged Undertakings shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company.

8. EMPLOYEES

- 8.1 Upon the coming into effect of this Scheme, all the employees of the Transferor Companies in relation to their respective Demerged Undertakings in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Companies as on the Effective Date. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies, and shall not be entitled to avail of any schemes and benefits that are applicable and available to any of the employees of the Transferee Company, unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Companies with any union/employee of the Transferor Companies.
- 8.2 The existing contributions standing to the credit of the provident fund, gratuity fund, and pension and/or superannuation fund and trusts created by the Transferor Companies for and on behalf of their respective employees as are to be transferred to the Transferee Company shall, at an appropriate stage, be transferred to the relevant funds of the Transferee Company and till such time shall be maintained separately. In the event that the Transferee Company does not have its own fund with respect to any such matters, the Transferee Company shall create its own funds to which the contributions pertaining to the employees of the Transferor Companies shall be transferred.

PART III

REMAINING UNDERTAKINGS

9. REMAINING UNDERTAKINGS

- 9.1 The respective Remaining Undertakings including all the respective properties and assets, investments, debts, liabilities and obligations of the Demerged Companies which do not form part of the Demerged Undertakings and shall be deemed to be part of the Remaining Undertakings shall continue to belong to and remain vested in and be managed by the Transferor Companies subject however to the provisions of the Scheme with respect to the release of (a) the properties and assets comprised in the Demerged Undertakings from the encumbrances created thereon to secure the debts, liabilities and obligations of the Transferor Companies relating to the Remaining Undertakings which are not transferred to the Transferee Company pursuant to this Scheme and (b) the properties and assets comprised in the Remaining Undertakings from the encumbrance created thereon to secure the debts, liabilities and obligations of the Transferor Companies relating to the Demerged Undertakings which are transferred to the Transferee Company pursuant to this Scheme.
- 9.2 All legal, taxation and other proceedings of whatsoever nature before any Court, tribunal, judicial or quasi-judicial authority by or against the Transferor Companies, whether pending and/or arising 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 Undertakings (including those relating to any property, right, power, liability, obligation or duties of the Transferor

Companies in respect of the Remaining Undertakings) shall be continued and enforced by or against the concerned Transferor Companies in the same manner and the Transferee Company shall in no event be responsible or liable in relation to any such legal, taxation and other proceedings.

- 9.3** The Transferor Companies shall carry on their respective business and activities pertaining to their respective Remaining Undertakings in their ordinary course and nothing herein contained shall affect the business and activities of the Transferor Companies in relation to the Remaining Undertakings.
- 9.4** All assets and properties acquired by the Transferor Companies on and after the Appointed Date but prior to the Effective Date shall, to the extent that the same do not relate to the Demerged Undertakings, continue to remain vested in the respective Transferor Companies.

PART IV

RE-ORGANISATION OF SHARE CAPITAL

10. NO FURTHER ISSUE OF SHARE CAPITAL BY TRANSFEE COMPANY:

All the Transferor Companies are wholly owned subsidiaries of the Transferee Company and the entire issued, subscribed and paid-up share capital of each of the Transferor Companies is held by the Transferee Company by itself and through its nominees. Accordingly, on the coming into effect of this Scheme no new equity shares of the Transferee Company shall be issued or allotted in lieu of the equity shares held by the Transferee Company and its nominees in the Transferor Companies.

11. REDUCTION OF SHARE CAPITAL OF HOLDING COMPANY

- 11.1** The issued share capital of the Holding Company is Rs. 10000,60,00,000/- divided into 1000,06,00,000 Equity Shares of Rs. 10/- each. The paid-up share capital of the Holding Company is Rs. 5730,60,00,000/- divided into 3,900,600,000 Fully Paid-up Equity Shares of Rs. 10/- each and 610,00,00,000 Partly Paid-up Equity Shares of Rs. 10/- each, on which a sum of Rs. 3/- each is paid-up. The balance amount of Rs.7/- on the Partly Paid-up Equity shares is uncalled.
- 11.2** In pursuance of and as an integral part of this Scheme, on the coming into effect of the Scheme, the face value of the issued but partly paid-up 610,00,00,000 Equity Shares of Rs. 10/- each, on which a sum of Rs.3/- is paid-up, shall be reduced to Rs. 3/- each by extinguishing or reducing the liability on the said Equity Shares in respect of share capital not paid-up thereon and the issued share capital of the Holding Company shall be reduced from 10000,60,00,000/- divided into 1000,06,00,000 Equity Shares of the face value of Rs. 10/- each to Rs. 5730,60,00,000/- divided into 3,900,600,000 Equity Shares of the face value of Rs. 10/- each and 610,00,00,000 Equity Shares of the face value of Rs. 3/- each. The aggregate paid-up share capital of the Holding Company of Rs.5730,60,00,000/- will remain unchanged by the reduction.
- 11.3** Immediately after the reduction in the issued share capital of the Holding Company, the said 610,00,00,000 Equity Shares of Rs. 3/- each fully paid up will be consolidated and divided into 183,00,00,000 Equity Shares of Rs. 10/- each fully paid up.
- 11.4** Consequent to the reduction of the issued share capital and the consolidation and division of the paid-up share capital of the Holding Company, on the Scheme taking effect, the issued, subscribed and paid-up share capital of the Holding Company shall be Rs. 5730,60,00,000/- divided into 573,06,00,000 Equity Shares of Rs. 10/- each fully paid-up.
- 11.5** The authorized share capital of the Holding Company will remain unchanged in view of the immediate consolidation of the Equity Shares of the face value of Rs. 3/- each and division thereof into Equity Shares of the face value of Rs. 10/- each.
- 11.6** The reduction in the issued share capital of the Holding Company and consolidation of share capital of the Holding Company as provided above shall be effected as an integral part of the Scheme and in accordance with the procedure prescribed under Section 100 and Section 94 of the Act and the Order of the High Court sanctioning the Scheme shall be deemed to be an Order confirming the reduction in the share capital of the Holding Company under Section 102 of the Act. The Holding Company shall in accordance with Section 95 of the Act give notice to the Registrar of Companies of the consolidation and division of its share capital in accordance with Clause 11.3 above. The reduction in the issued share capital of the Holding Company shall not require the Holding Company to add the words “and reduced” as suffix to its name.

PART V
ACCOUNTING TREATMENT

12. DIVIDENDS:

- (a) With effect from the date of filing of this Scheme with the High Court and upto and including the Effective Date, the Transferor Companies, the Transferee Company and the Holding Company shall be entitled to declare and pay dividend, whether interim or final, to their respective equity shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date.
- (b) It is clarified that the aforesaid provisions in respect of declaration of dividend, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of any of the Transferor Companies and/or the Transferee Company and/or the Holding Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Companies, the Transferee Company and the Holding Company and subject, wherever necessary, to the approval of the shareholders of the concerned Companies.

13. ACCOUNTING FOR THE DEMERGER:

13.1 In the books of the respective Demerged Companies:

On the Scheme becoming effective, each Demerged Company shall make suitable adjustments as considered appropriate by the Board of Directors of the Demerged Company and the Board of Directors of the Resulting Company including reducing the book value of assets and liabilities of its Demerged Undertaking vested in the Resulting Company pursuant to this Scheme and the net amount shall be adjusted against reserves (whether capital or revenue including balance of profit and loss account) of that Demerged Company.

13.2 In the books of the Resulting Company:

- (a) On the Scheme becoming effective, the assets, liabilities and reserves (whether capital or revenue including balance of profit and loss account) pertaining to the relevant Demerged Undertaking vested in the Resulting Company pursuant to this Scheme, shall be recorded at the respective existing carrying amounts thereof and in the same form as at the close of business on the day immediately preceding the Appointed Date.
- (b) Suitable adjustments including to ensure uniform accounting policies between the Demerged Companies and the Resulting Company may be made as considered appropriate by the Board of Directors of the Resulting Company and effect thereof shall be given in the reserves (whether capital or revenue including balance of profit and loss account) of the Resulting Company.

PART VI
GENERAL MATTERS

14. CONDUCT OF BUSINESS BY HOLDING COMPANY AND TRANSFEEE COMPANY:

The Holding Company and the Transferee Company shall continue to carry on their respective business and activities with reasonable diligence and business prudence as heretofore carried on.

15. APPROVALS

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government or any State 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 the Demerged Undertakings.

16. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets and liabilities under this Scheme and the continuance of proceedings by or against the Transferee Company shall not affect any transaction or proceedings 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 relation to the Demerged Undertakings done and executed on behalf of itself.

17. INCREASE IN BORROWING LIMIT

Upon the Scheme coming into effect, the authorized borrowing limit of the Transferee Company in terms of Section 293(1)(d) of the Act shall, without any further act or deed and without any requirement for further approval, stand enhanced by an amount equivalent to the amount of the liabilities comprised in the Demerged Undertakings transferred to the Transferee Company.

18. VALIDITY OF EXISTING RESOLUTIONS, ETC.

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

19. MODIFICATION OF SCHEME

- (a) Each of the Holding Company, the Transferor Companies and the Transferee Company by their respective Boards of Directors or any committee thereof or any Director authorised in that behalf (hereinafter referred to as the “**Delegate**”) may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the High Court or any authorities under law may deem fit to approve of or impose and which the Holding Company, the Transferor Companies and the Transferee Company may in their discretion accept or such modifications or amendments or additions as the Holding Company, the Transferor Companies and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme and as approved by the High Court, and the Holding Company, the Transferor Companies and the Transferee Company by their respective Boards of Directors or Delegate are authorised to do and execute all acts; deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by the High Court or any authorities, which the Holding Company, the Transferor Companies or the Transferee Company find unacceptable for any reason, then the Holding Company, the Transferor Companies and the Transferee Company shall be at liberty to withdraw the Scheme. The aforesaid powers of the Holding Company, the Transferor Companies and the Transferee Company may be exercised by the Delegate of the respective Companies.
- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of the Holding Company, the Transferor Companies and the Transferee Company may give and are authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

20. FILING OF APPLICATIONS

Each of the Holding Company, the Transferor Companies and the Transferee Company shall with all reasonable despatch, make and file all applications/petitions under Sections 391 and 394 and other applicable provisions of the Act before the High Court for sanction of this Scheme and each of the Holding Company, the Transferor Companies and the Transferee Company shall obtain all approvals as may be required under law.

21. SCHEME CONDITIONAL UPON

- (a) This Scheme is conditional upon and subject to:
 - (i) The Scheme being agreed to by the requisite majority of the members and/or creditors of the Holding Company, the Transferor Companies and the Transferee Company and/or by such other persons as may be required under the Act and the requisite directions being issued by the concerned High Court;

- (ii) The requisite sanctions and approvals including sanctions of any governmental or regulatory authority, lessor, or contracting party as may be required by law or contract in respect of the Scheme being obtained; and
 - (iii) The certified copies of the Orders of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra.
- (b) In the event of this Scheme failing to take effect finally by 31st December 2011, or by such later date as may be agreed by the respective Boards of Directors of the Holding Company, the Transferor Companies and the Transferee Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred, inter-se, by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs, charges and expenses incurred in relation or in connection with this Scheme or as may be mutually agreed.

22. COSTS, CHARGES AND EXPENSES

All costs, charges (including stamp duty, if any) and expenses of and incidental to the demerger in accordance with this Scheme shall be borne and paid by the Transferee Company.

SCHEDULE I

PART A

Assets as on 31st March 2010, of Demerged Undertaking of RAPDL, the First Transferor Company referred to in sub-clause 1.1(d)(I)(i) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	271.19
2	Capital work-in-progress	529.53
3	Deferred Tax Assets	644.51
4	Current Assets	857.51
5	Loans and Advances	250.68

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RAPDL, the First Transferor Company referred to in sub-clause 1.1(d)(I)(iv) of Clause 1 of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Unsecured Loan	3 387.70
2	Current Liabilities	472.41

SCHEDULE II

Part A

Assets as on 31st March 2010, of Demerged Undertaking of RFPSL, the Second Transferor Company referred to in sub-clause 1.1(d) (II)(i) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	7 494.01
2	Capital work-in-progress	6 219.83
3	Deferred Tax Assets	2 177.08
4	Current Assets	1 216.97
5	Loans and Advances	53.95

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RFPSL, the Second Transferor Company referred to in sub-clause 1.1(d) (II)(iv) of Clause 1 of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Unsecured Loan	20 628.92
2	Current Liabilities	356.99

SCHEDULE III

Part A

Assets as on 31st March 2010, of Demerged Undertaking of RHSL, the Third Transferor Company referred to in sub-clause 1.1(d) (III) (i) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	927.36
2	Capital work-in-progress	2 331.83
3	Deferred Tax Assets	663.00
4	Current Assets	2 018.76
5	Loans and Advances	808.22

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RHSL, the Third Transferor Company referred to in sub-clause 1.1(d) (III)(iv) of Clause 1 of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Unsecured Loan	7 083.37
2	Current Liabilities	1 013.85

SCHEDULE IV**Part A**

Assets as on 31st March 2010, of Demerged Undertaking of RHL, the Fourth Transferor Company referred to in sub-clause 1.1(d) (IV) (i) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	26 717.40
2	Capital work-in-progress	95 728.86
3	Deferred Tax Assets	4 902.17
4	Current Assets	7 266.08
5	Loans and Advances	3 138.99

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RHL, the Fourth Transferor Company referred to in sub-clause 1.1(d) (IV)(iv) of Clause 1 of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Loan	
	a. Secured Loan	8.03
	b. Unsecured Loan	1 39 139.43
2	Current Liabilities	8 280.19

SCHEDULE V**Part A**

Assets as on 31st March 2010, of Demerged Undertaking of RIASL, the Fifth Transferor Company referred to in sub-clause 1.1(d)(V) (1) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	50.55
2	Capital work-in-progress	2 425.08
3	Current Assets	9.47
4	Loans and Advances	36.78

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RIASL, the Fifth Transferor Company referred to in sub-clause 1.1(d) (V)(iv) of Clause 1 of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Loan	
	a. Secured Loan	29.74
	b. Unsecured Loan	2 730.03
2	Current Liabilities	53.66

SCHEDULE VI

Part A

Assets as on 31st March 2010, of Demerged Undertaking of RLHL, the Sixth Transferor Company referred to in sub-clause 1.1(d) (VI) (i) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	52.26
2	Deferred Tax Assets	952.54
3	Loans and Advances	23.47

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RLHL, the Sixth Transferor Company referred to in sub-clause 1.1(d) (VI)(iv) of Clause 1 of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Loan	
	a. Secured Loan	21.46
	b. Unsecured Loan	2 968.61
2	Current Liabilities	61.34

SCHEDULE VII

Part A

Assets as on 31st March 2010, of Demerged Undertaking of RSCSL, the Seventh Transferor Company referred to in sub-clause 1.1(d) (VII)(i) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	17 396.05
2	Capital work-in-progress	6 234.36
3	Deferred Tax Assets	677.77
4	Current Assets	278.47
5	Loans and Advances	1 578.93

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RSCSL, the Seventh Transferor Company referred to in sub-clause 1.1(d) (VII)(iv) of Clause I of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Loan	
	a. Secured Loan	31.37
	b. Unsecured Loan	25 785.18
2	Current Liabilities	1 467.62

SCHEDULE VIII

Part A

Assets as on 31st March 2010, of Demerged Undertaking of RWL, the Eighth Transferor Company referred to in sub-clause 1.1(d) (VIII) (i) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	468.59
2	Capital work-in-progress	3 668 .01
3	Deferred Tax Assets	904.67
4	Current Assets	890.28
5	Loans and Advances	827.75

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RWL, the Eighth Transferor Company referred to in sub-clause 1.1(d) (VIII)(iv) of Clause 1 of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Loan	
	a. Secured Loan	7.39
	b. Unsecured Loan	6 740.32
2	Current Liabilities	1 821.85

SCHEDULE IX

Part A

Assets as on 31st March 2010, of Demerged Undertaking of RC&SL, the Ninth Transferor Company referred to in sub-clause 1.1(d)(IX) (i) of Clause 1 of the Scheme

Assets		Amount (Rupees in Lakh)
1	Net Fixed Assets	893.56
2	Capital work-in-progress	361.16
3	Investments	0.05
4	Deferred Tax Assets	1 980.97
5	Current Assets	1 559.43
6	Loans and Advances	1 292.75

Part B

Liabilities as on 31st March 2010, of Demerged Undertaking of RC&SL, the Ninth Transferor Company referred to in sub-clause 1.1(d)(IX)(iv) of Clause 1 of the Scheme

Liabilities		Amount (Rupees in Lakh)
1	Unsecured Loan	8 354.69
2	Current Liabilities	1 756.38

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 124 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 93 OF 2013

Reliancedigital Retail Limited

...Petitioner Company

AND

COMPANY SCHEME PETITION NO. 125 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 94 OF 2013

Reliance Footprint Limited

...Petitioner Company

AND

COMPANY SCHEME PETITION NO. 126 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 95 OF 2013

Reliance Gems and Jewels Limited

...Petitioner Company

AND

COMPANY SCHEME PETITION NO. 127 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 96 OF 2013

Reliance Leisures Limited

...Petitioner Company

AND

COMPANY SCHEME PETITION NO. 128 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 97 OF 2013

Reliance Trends Limited

...Petitioner Company

AND

COMPANY SCHEME PETITION NO. 129 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 98 OF 2013

Reliance Autozone Limited

...Petitioner Company

AND

COMPANY SCHEME PETITION NO. 130 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 99 OF 2013

Reliance Digital Media Limited

...Petitioner Company

AND

COMPANY SCHEME PETITION NO. 131 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 100 OF 2013

Reliance Replay Gaming Limited

...Petitioner Company

AND

COMPANY SCHEME PETITION NO. 132 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 101 OF 2013
AND

RESQ Limited

...Petitioner Company

COMPANY SCHEME PETITION NO. 133 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 102 OF 2013
AND

Reliance Retail Limited

...Petitioner Company

COMPANY SCHEME PETITION NO. 134 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 103 OF 2013
AND

Reliance Fresh Limited

...Petitioner Company

In the matter of the Companies Act, 1956;

-And-

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

-And-

In the matter of the Scheme of Arrangement and Amalgamation among

- (1) Reliancedigital Retail Limited,
- (2) Reliance Footprint Limited,
- (3) Reliance Gems and Jewels Limited,
- (4) Reliance Leisures Limited,
- (5) Reliance Trends Limited,
- (6) Reliance Autozone Limited,
- (7) Reliance Digital Media Limited,
- (8) Reliance Replay Gaming Limited,
- (9) RESQ Limited,
- (10) Reliance Retail Limited
and
- (11) Reliance Fresh Limited
and

Their respective shareholders

Senior Advocate Mr. R.A. Dada with Senior Advocate Dr. Milind Sathe, Advocate Mr. Arif Doctor and Advocate Ms. Misbah Dada i/b M/s. Junnarkar & Associates, Advocates for the Petitioner Companies in the Petitions.

Mrs. R.N. Sutar, Assistant Official Liquidator, in CSP. Nos. 124 of 2013, 125 of 2013, 126 of 2013, 127 of 2013, 129 of 2013, 130 of 2013, 131 of 2013, 132 of 2013 and 133 of 2013.

Mr. H.V. Mehta i/b Mr. T.C. Caushik for Regional Director in the Petition.

Mr. Gaurav Agrawal for Sony Music Entertainment Ltd. [Unsecured creditor in CSP No. 127 of 2013.

Mr. Rajesh Mirchandani for Central Warehousing Corp. [Objector] In CSP No. 133 of 2013.

Mr. Dharmesh Jain i/b Rahul Karnik for Krish Flexipack Pvt. Ltd [Unsecured Creditor] in CSP No. 134 of 2013.

Mr. Anilkumar Poddar, in-person.

CORAM: Ranjit More, J.

Date: 3rd May 2013

P.C.:-

1. Heard learned Counsel for the parties.
2. The sanction of this Court is sought under Sections 391 to 394 of the Companies Act, 1956 to the Scheme of Arrangement and Amalgamation among Reliance Digital Retail Limited, Reliance Footprint Limited, Reliance Gems and Jewels Limited, Reliance Leisures Limited, Reliance Trends Limited, Reliance Autozone Limited, Reliance Digital Media Limited, Reliance Replay Gaming Limited, RESQ Limited, Reliance Retail Limited and Reliance Fresh Limited.
3. Learned Counsel for the Petitioner Companies states that all the Transferor Companies except Reliance Retail Limited are wholly owned subsidiaries of Reliance Fresh Limited, Reliance Fresh Limited is a wholly owned subsidiary of Reliance Retail Limited. Learned Counsel for the Petitioner Companies submits that the Scheme provides for realignment and consolidation of various formats of retail businesses being carried on by the existing subsidiary companies of Reliance Retail Limited. Such realignment and consolidation will result in enhanced operational flexibility, efficiencies and greater and optimal utilization of resources. The activities of all Group 'A' Companies may conveniently be divided into two distinct divisions, that is, domestic trade operations ("Trading Division") and international trade operations ("International Trade Division"). In order to consolidate operations and simplify the group structure, it is decided to restructure operations so as to (i) house all domestic trade operations of all Group 'A' Companies in one company namely, Reliance Fresh Limited by demerger of their respective Trading Divisions to Reliance Fresh Limited and (ii) all the international trade operations of Group 'A' Companies (other than Reliance Trends Limited) are to be consolidated in another company namely, Reliance Trends Limited resulting in consolidation of the domestic trade operations and international trade operations in separate companies based on geographical business verticals. The amalgamation of Group 'B' Companies with Reliance Fresh Limited will result in activities connected to organised retail business being consolidated in a single company. The restructuring will strengthen the leadership in terms of revenues, product range and volumes resulting in enhanced shareholder value. The restructuring of companies belonging to the same group will simplify business structure by eliminating multiple entities engaged in similar and connected activities, which are interlinked and can be conveniently combined thereby creating a single unified entity in place of holding company and subsidiary companies carrying on activities as separate entities. The proposed consolidation and the consequent reduction in the number of companies will lead to a significant reduction in the multiplicity of legal and regulatory compliances. The restructuring will also result in improvement in cash management enabling Reliance Fresh Limited to improve its financial position and have an increased asset base and enable expansion of operations. The restructuring will result in increased administrative and operational efficiency by reduction in costs and elimination of duplication of various activities, through operational synergies, sourcing benefits and economies of scale. The restructuring of the corporate structure pursuant to the Scheme also provides for an optimum equity share capital for a robust financial management through adequate gearing.
4. All the Companies have approved the Scheme of Arrangement and Amalgamation by passing Board Resolutions, which are annexed to the respective Company Scheme Petitions. Learned Counsel for the Petitioner Companies further states that the Petitioner Companies have complied with all directions passed in Company Summons for Direction Nos. 93 to 103 of 2013 and the Company Scheme Petitions have been filed in consonance with the orders passed in the said Company Summons for Direction and seeks sanction to the proposed Scheme of Arrangement and Amalgamation.
5. Counsel appearing on behalf of the Petitioner Companies has stated that the Petitioner Companies have complied with all the requirements as per directions of this Court and have filed necessary Affidavits of compliance in the Court. Moreover, the Petitioner Companies through their Counsel undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made thereunder. The said undertaking is accepted.
6. The Regional Director has filed an Affidavit dated 27th February 2013. In para 6 of the said Affidavit, it has been submitted that "*3rd para of clause 32.4 of the scheme be re-numbered as (bi) instead of (b) and the same it may be corrected accordingly.*" The Regional Director has submitted that save and except as stated in para 6, it appears that the Scheme is not prejudicial to the interest of shareholders and public. The Learned Counsel on behalf of the Petitioner Companies accepts the amendment suggested by the Regional Director and agrees that the Scheme be amended accordingly. Hence, 3rd para of Clause 32.4 of the Scheme shall stand re-numbered as "(bi)" instead of "(b)".
7. The Official Liquidator has filed his Report dated 21st March 2013 in Company Scheme Petitions Nos. 124 of 2013 to 127 of 2013 and Company Scheme Petitions Nos. 129 of 2013 to 133 of 2013 stating therein that the affairs of the Group 'A' Amalgamating Companies and the Group 'B' Amalgamating Companies have been conducted in a proper manner and that the Group 'A' Amalgamating Companies and the Group 'B' Amalgamating Companies may be ordered to be dissolved.

8. The Petitioner Companies have given individual notices by RPAD to the unsecured creditors pursuant to the order dated 15th February 2013 passed by this Court. Not a single objection or opposition is received in CSP Nos. 124 of 2013, 125 of 2013, 126 of 2013, 130 of 2013, 131 of 2013 and 132 of 2013. However, objections have been received in CSP Nos. 127 of 2013, 128 of 2013, 129 of 2013 and 134 of 2013.
- 8A. In CSP No.127 of 2013 [Reliance Leisures Ltd.], letters were received from two creditors, namely, Sony Music Entertainment India Pvt. Limited and Scholastic India Pvt. Ltd. The said two creditors have, however, subsequently withdrawn their objections and have given no objection to the scheme. Their No-Objection Letters are annexed at Exhibits-E and G to the affidavit of Mr. Sridhar Kothandaraman dated 26th March 2013.
- 8B. In CSP No.128 of 2013 [Reliance Trends Limited], letters were received from three creditors, namely, (i) Eastman Exports Global Clothing Pvt. Ltd. (ii) Kaman Exim LLP and (iii) Suburbia Arts. Eastman Exports Global have withdrawn its objection to the scheme and letter of withdrawal of objection is annexed at Exhibit-A the affidavit of Mr. Sridhar Kothandaraman dated 4th April 2013. Kaman Exim LLP has merely requested for a copy of the petition but not filed any objection to the scheme. Suburbia Arts has given its no objection to the scheme. Copy of the said no objection is annexed at Exhibit-E to the affidavit of Mr. Sridhar Kothandaraman dated 26th March 2013.
- 8C. In CSP No. 129 of 2013 [Reliance Autozone Limited], affidavits/letters were received from two creditors, namely, (i) Diamond Digital Solutions Pvt. Ltd. and (ii) Precision Testing Machines Pvt. Ltd. However, said two objectors have been subsequently withdrawn; their no objections have been annexed at Exhibit-B and D to the affidavit of Mr. Sridhar Kothandaraman dated 26th March 2013.
- 8D. In CSP No. 134 of 2013 [Reliance Fresh Limited], letters were received from three creditors, namely, (i) Krisflexipacks Pvt. Ltd., (ii) Rinac India Limited and (iii) Jagdish Agri Exports Pvt. Ltd. All these creditors have withdrawn their objections and given their no objection to the scheme. Annexed at Exhibit-F to H to the affidavit of Mr. Sridhar Kothandaraman dated 26th March 2013 are their No-Objection Letters.
- 8E. Thus, sofar as CSP Nos. 124, 125, 126, 130, 131, 132, 127, 128, 129 and 134 of 2013 are concerned, there are no objections or oppositions to the scheme.
9. So far as CSP No. 133 of 2013 [Reliance Retail Limited] is concerned, the Petitioner Company received letters from four creditors, namely, (i) Rinac India Limited, (ii) Jevat Virchand Leasing and Investment Co. Pvt. Ltd., (iii) Upasana Colonisers and (iv) Kishan Gopal Rungta Pvt. Ltd. Said Rinac India Limited has subsequently given its consent to the scheme by its letter dated 25th March 2013, which is annexed at Exhibit-F to the affidavit of Mr. Sridhar Kothandaraman dated 26th March 2013. As disclosed from the affidavit of Mr. Sridhar Kothandaraman dated 9th April 2013, Jevat Virchand Leasing and Investment Co., Pvt. Ltd. has already filed suit, being O. S. Suit No. 1122 of 2008 before the Subordinate Judge in Ernakulum. The claim amount is disputed and is subject to the outcome of that suit. Said Creditor cannot use the present proceedings for recovery of their disputed claim amount.
- 9A. Upasana Colonisers and Kishan Gopal Rungta Pvt. Ltd. have claimed outstanding towards unpaid rent of the premises suited at Man Upasana Plaza, Sardar Patel Marg, Jaipur. The said claims of both the parties relate to one and the same premises and said parties are connected with each other. Be that as it may, said Kishan Rungta Pvt. Ltd has initiated arbitration proceedings in respect of its claims and given notice dated 29th March 2013 for appointment of Arbitrator, copy of which is annexed at Exhibit-A to the affidavit of Mr. Sridhar Kothandaraman dated 29th March 2013. Therefore objection of these creditors cannot be taken into consideration.
- 9B. Affidavit has also been filed by another creditor Central Warehousing Corporation. The claim of this creditor relates to the same amount that was claimed by the said creditor in a separate scheme of arrangement (already sanctioned by this Court by the order dated 2nd December 2011). Observations in para-4 & 6 of that order are relevant, which are reproduced hereinbelow:
- “4. Even the Regional Director has stated that he has no objection to the scheme being sanctioned and approved by this Court. There are, however, to objectors, one of which is a statutory corporation, i.e., Central Warehousing Corporation. Mrs. Shah appearing for the said Corporation submits that the Corporation has a claim against the Petitioner. The said claim has not been secured and the Petitioner has admitted the same to the tune of Rs.6,24,987/-. Mr. Tulzapurkar, learned senior counsel appearing for the Petitioner on instructions makes a statement that the claim of the Central Warehousing Corporation in the books of accounts of the Petitioner is to tune of Rs.6,24,987/-.

However, the Petitioner is ready and willing to furnish a bank guarantee for the sum of Rs.96 lakhs as claimed by Central Warehousing Corporation, drawn in favour of Prothonotary and Sr. Master/Registrar (OS) of this Court. All that he submits that this bank guarantee should be kept alive for a limited period within which the Central Warehousing Corporation should establish and prove its claim by institution of appropriate proceedings. If the appropriate proceedings are instituted, the bank guarantee then shall abide by the orders and directions therein.

5.

6. After hearing both sides on this aspect, I am of the view that in the light of statements made by Mr. Tulzapurkar, without prejudice to the rights and contentions of the respective parties, of furnishing bank guarantee of Rs.96 lakhs, in favour of Prothonotary and Senior Master, it sufficiently secures and protects the claim, if any, of the statutory corporation. These are not proceedings in which the claim can be adjudicated and the amounts due and payable, determined and decided. The Corporation even if it is statutory, would have to adopt appropriate proceedings to recover money outstanding or allegedly due and payable. For the present, it is directed that the Petitioner shall furnish bank guarantee in the sum of Rs.96 lakhs, which bank guarantee in the sum of Rs.96 lakhs, which bank guarantee shall be kept alive for a period four months. The said Corporation shall institute appropriate proceedings and then apply for interim reliefs therein within a period of nineteen weeks from 14th October 2011. Needless to state that if within this period the Corporation does not initiate any legal proceedings for recovery, the bank guarantee shall be returned to the Petitioners, duly discharged.”

Perusal of above observations made in para-4 and 6 of the said order makes it clear that Central Warehousing Corporation claimed the amount of Rs.96 lacs from the Petitioner-Company, the Petitioner-Company has however disputed this liability and admitted the liability to the tune of Rs.6,24,987/- only. The Petitioner-Company was directed to furnish bank guarantee in the sum of Rs.96 lacs in favour of Prothonotary and Sr. Master of this Court and to keep it alive for four months and liberty was given to the Central Warehousing Corporation to initiate appropriate proceedings for recovery of alleged amount. It seems that Central Warehousing Corp. has filed suit in Bhopal District Court in 2010 and application is made for extension of bank guarantee.

- 9C. Be that as it may, clauses-6 & 21 of the scheme deal with the legal proceedings and transfer of liabilities. Under these clauses, legal proceedings filed against the demerged companies can be continued against the Resulting Company. Similarly the liabilities of the demerged companies are taken over by the Resulting Company Therefore, Central Warehousing Corporation cannot use the present proceedings for recovery of that amount and for that reason cannot object to the present scheme.
10. One Mr. Anil Poddar has also filed objections to the present scheme petitions. I have heard Mr. Poddar, who is appearing in person. I do not find any merit in the objections raised by Mr. Poddar. At the outset, it must be mentioned that Mr. Poddar holds some shares in Reliance Industries Limited, which is the main Parent Company. Mr. Poddar does not dispute that he is not creditor or shareholder of any of the companies involved in the present scheme of arrangement and amalgamation. Therefore, in my opinion, he has no locus standi to raise objections to the said scheme. The grievance of Mr. Poddar is that he has not been given information regarding the amalgamation. This objection is not maintainable since he is not the shareholder of any of the companies which are party to the present scheme of arrangement and amalgamation. The scheme provides for restructuring of the step down subsidiaries of Reliance Fresh Limited. The scheme provides for reducing the number of subsidiaries. There will be no change in the holding/ subsidiary status vis-a-vis Reliance Industries Limited. All the Petitioner-Companies except Reliance Retail Limited are subsidiaries of Reliance Fresh Limited and the relationship of holding/subsidiary between Reliance Fresh Limited and Reliance Industries Limited will remain unchanged. I do not find any prejudice being cause to Mr. Poddar by the present scheme of arrangement and amalgamation.
11. Besides, if we consider the scope of enquiry in the scheme petition, I am of the opinion that the objections raised by the creditors do not deserve any consideration in these proceedings. In this regard reference can be made to the Apex Court decision in the case of Miheer. H. Mafatlal Vs. Mafatlal industries Ltd. [(1997) 1 SCC 579], wherein it is held that when a scheme for arrangement, merger, amalgamation is presented before the Court for sanction, the jurisdiction of the Court while sanctioning the scheme is supervisory and not appellate. Once it is established that all requisite statutory compliances have been made, and the scheme is not against public interest, and that requisite number of share holders accepted the scheme, and that the decision of the majority was fair and proper, then, the Court cannot refuse to sanction

the scheme. The parties to the scheme in their wisdom and commercial interest arrive at these decisions and the Courts do not have expertise nor jurisdiction to dissect the scheme, and reject it. If such a jurisdiction is exercised it would be an appellate jurisdiction which is not vested in the Court while considering sanction of the scheme.

12. The creditors of the company cannot use the proceedings for sanction of the scheme, as a weapon to pressurise the company to pay disputed debts. In this regard, reference can be made to the decision of learned Single Judge of this Court in unreported judgment in Company Scheme Petition No.377 of 2011 wherein it is observed as under;
“9. To my mind, the objector or intervener cannot, on the basis of the claim which has been made against the Transferee Company, succeed and oppose the scheme when such a claim is pending adjudication. Once it has been pointed out that the sum is a disputed liability and it is being adjudicated, then, to my mind, it will not be possible to withhold sanction and approval to the scheme only on account of such a claim. In the affidavits that have been filed by the parties, they have placed their own version in support of their claims and counter claims. This Court is not a forum which could adjudicate and decide the same. Admittedly, the parties are before the Arbitral Tribunal which has taken cognizance of these versions and they are being adjudicated. Nothing prevents the intervener/objector, on the basis of the contents of the balance sheet in making an application for securing the alleged admitted sum. Once such a course is available under the Arbitration and Conciliation Act, 1996 and even thereafter when the intervener/objector secures and obtains an award crystallising the claims, then, all the more there is no reason to withhold the approval and sanction to the scheme. Nothing has been pointed out in the statutory provisions relied upon, which would indicate that this Court, can on the strength of disputed claim, withhold the sanction and approval to the scheme.”
13. Thus, in the light of this settled legal position and also on facts of the present case, I am of the opinion that objections raised by the objectors cannot be an impediment in sanctioning of the scheme. Considering the petition and perusal of the scheme as well as the affidavit filed by the Regional Director, the scheme does not appear to be against public interest neither it appears to be contrary to any public policy
14. 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.
15. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petitions are made absolute in terms of prayer clauses (a) to (k) and (m) of Company Scheme Petition No. 124 of 2013, clauses (a) to (k) and (m) of Company Scheme Petition No. 125 of 2013; clauses (a) to (k) and (m) of Company Scheme Petition No. 126 of 2013, clauses (a) to (k) and (m) of Company Scheme Petition No. 127 of 2013 and clauses (a) to (j) and (l) of Company Scheme Petition No. 128 of 2013, clauses (a) to (g) and (i) of Company Scheme Petition No. 129 of 2013, clauses (a) to (g) and (i) of Company Scheme Petition No. 130 of 2013, clauses (a) to (g) and (i) of Company Scheme Petition No. 131 of 2013, clauses (a) to (g) and (i) of Company Scheme Petition No. 132 of 2013, clauses (a) to (h) and (j) of Company Scheme Petition No. 133 of 2013 and clauses (a) to (p), (s) and (t) of Company Scheme Petition No. 134 of 2013.
16. The First Transferee Company and the Second Transferee Company to lodge 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 sixty days from the date of the Order.
17. The Petitioner Companies are directed to file a copy of this Order alongwith a copy of the Scheme of Arrangement and Amalgamation and Minute of Reduction with the concerned Registrar of Companies, electronically, alongwith E-Form 21 in addition to the physical copy, in addition to the physical copy, as per relevant provisions of law.
18. The Petitioner Companies in all Company Scheme Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner Companies in CSP Nos. 124 to 127 of 2013 and CSP Nos. 129 to 133 of 2013 to pay costs of Rs. 10,000/- each to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.
19. Filing and issuance of the drawn up order is dispensed with.
20. All concerned authorities to act on a copy of this Order alongwith Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

(Ranjit More, J.)

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 124 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 93 OF 2013

Reliancedigital Retail Limited

.... Petitioner Company

AND

COMPANY SCHEME PETITION NO. 125 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 94 OF 2013

Reliance Footprint Limited

.... Petitioner Company

AND

COMPANY SCHEME PETITION NO. 126 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 95 OF 2013

Reliance Gems and Jewels Limited

.... Petitioner Company

AND

COMPANY SCHEME PETITION NO. 127 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 96 OF 2013

Reliance Leisures Limited

.... Petitioner Company

AND

COMPANY SCHEME PETITION NO. 128 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 97 OF 2013

Reliance Trends Limited

.... Petitioner Company

AND

COMPANY SCHEME PETITION NO. 129 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 98 OF 2013

Reliance Autozone Limited

.... Petitioner Company

AND

COMPANY SCHEME PETITION NO. 130 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 99 OF 2013

Reliance Digital Media Limited

.... Petitioner Company

AND

COMPANY SCHEME PETITION NO. 131 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 100 OF 2013

AND

Reliance Replay Gaming Limited

.... Petitioner Company

COMPANY SCHEME PETITION NO. 132 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 101 OF 2013

AND

RESQ Limited

.... Petitioner Company

COMPANY SCHEME PETITION NO. 133 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 102 OF 2013

AND

Reliance Retail Limited

.... Petitioner Company

COMPANY SCHEME PETITION NO. 134 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 103 OF 2013

AND

Reliance Fresh Limited

.... Petitioner Company

In the matter of the Companies Act, 1956;

- And -

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

- And -

In the matter of the Scheme of Arrangement and Amalgamation among

- (1) Reliancedigital Retail Limited,
- (2) Reliance Footprint Limited,
- (3) Reliance Gems and Jewels Limited,
- (4) Reliance Leisures Limited,
- (5) Reliance Trends Limited,
- (6) Reliance Autozone Limited,
- (7) Reliance Digital Media Limited,
- (8) Reliance Replay Gaming Limited,
- (9) RESQ Limited,
- (10) Reliance Retail Limited
and
- (11) Reliance Fresh Limited
and

Their respective shareholders

Ms Misbah Dada i/b M/s. Junnarkar & Associates, Advocates for the Petitioner Companies in the Petitions.

Mr. C.J.Joy i/b Mr. T. C. Caushik for Regional Director in the Petition

CORAM: Ranjit More, J.

DATE : 13th June 2013

PC :-

- 1 Praecipe is taken out by the learned counsel for the Petitioner Companies for **Speaking to the Minutes of the Order** dated 3rd May, 2013. The learned Regional Director states that typographical errors mentioned in the praecipe deserve to be corrected and he has no objection for the same.
- 2 In that view of the matter, typographical errors occurred in the order dated 3rd May, 2013 are hereby corrected as stated hereunder:
 - (I) In Paragraph 8 in the last line insert Petition No. **“133 of 2013”** after Petition No. **“129 of 2013”**;
 - (II) In Paragraph 9A in the fifth line, insert the name **“Gopal”** after the name **“Kishan”**, so that the name of the company is corrected to **“Kishan Gopal Rungta Pvt. Ltd.”**;
 - (III) In Paragraph 9A, in the last line on page 8 correct the date of the Affidavit of Mr. Sridhar Kothandaraman by substituting the date **“29th March, 2013”** with **“9th April, 2013”**;
 - (IV) In paragraph 9B in the quoted para 6, in the second line of the said para 6, correct the spelling error by substituting the **“lgith”** with **“light”**;
 - (V) In the last paragraph of 9B on page 10 of last line, substitute the year **“2010”** with **“2012”**;
 - (VI) In paragraph 9C in the first line correct the clause numbers **“6 & 21”** to **“21 & 23”** and substitute the word **“demerged”** in lines three and five with the word **“merged”**.
3. The order dated 3rd May, 2013 stands corrected as stated above.
Praecipe stands disposed of.

(Ranjit More, J.)

SCHEME OF ARRANGEMENT AND AMALGAMATION

under Sections 391 to 394 of the Companies Act, 1956

AMONG

RELIANCEDIGITAL RETAIL LIMITED

AND

RELIANCE FOOTPRINT LIMITED

AND

RELIANCE GEMS AND JEWELS LIMITED

AND

RELIANCE LEISURES LIMITED

AND

RELIANCE TRENDS LIMITED

AND

RELIANCE AUTOZONE LIMITED

AND

RELIANCE DIGITAL MEDIA LIMITED

AND

RELIANCE REPLAY GAMING LIMITED

AND

RESQ LIMITED

AND

RELIANCE RETAIL LIMITED

AND

RELIANCE FRESH LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

INTRODUCTION

The present Scheme is a composite Scheme of Arrangement and Amalgamation (“**Scheme**”) presented pursuant to the provisions of Sections 391 to 394 and other applicable provisions of Companies Act, 1956 for the restructuring of companies belonging to the same group in order to reduce multiple entities engaged in activities which can be conveniently combined and to consolidate connected business activities.

I. Description of Companies:

- (i) The companies (other than Reliance Fresh Limited) that are party to this Scheme of Arrangement and Amalgamation are, for ease of reference, segregated into two groups namely, Group ‘A’ Companies and Group ‘B’ Companies.
- (ii) A brief description of the **Group ‘A’** Companies, which are party to this Scheme is as follows:
 - a. Reliancedigital Retail Limited (“**RDRL**”) is a company incorporated under the Companies Act, 1956. RDRL is India’s largest consumer electronics retail chain with nation-wide network of conveniently located stores. RDRL through its multiple format stores such as Reliancedigital stores, Reliance Digital Express stores and iStores provides a one stop shop for all technology solutions in the field of consumer electronics, home appliances, and Information Technology products with a wide assortment of products covering all major national and international brands. The business of RDRL is divided into two divisions viz. (i) Trading Division, which comprises the business of retail trading in consumer durable, home appliances and Information Technology products through multiple format stores operated in India; and (ii) International Trade Division, which comprises the business of sourcing and importing goods and exporting goods to international customers.
 - b. Reliance Footprint Limited (“**RFPL**”) is a company incorporated under the Companies Act, 1956. RFPL in a short span of time has established itself as one of India’s finest footwear destination store chain offering largest choice of branded and private label footwear, through Reliance Footprint stores with presence in all major cities in India. The business of RFPL is divided into two divisions viz. (i) Trading Division, which comprises the business of retail trading in footwear and accessories through Reliance Footprint stores operated in India; and (ii) International Trade Division which comprises the business of sourcing and importing goods and exporting goods to international customers.
 - c. Reliance Gems and Jewels Limited (“**RGJL**”) is a company incorporated under the Companies Act, 1956. RGJL is one of India’s major retailer of fine jewellery. RGJL’s Reliance Jewels stores offer large collection of jewellery, diamonds and other precious stones, for every occasion, for all age groups. The business of RGJL is divided into two divisions viz. (i) Trading Division, which comprises the business of retail trading in jewellery and precious stones through Reliance Jewels stores operated in India; and (ii) International Trade Division which comprises the business of sourcing and importing goods and exporting goods to international customers.
 - d. Reliance Leisures Limited (“**RLL**”) is a company incorporated under the Companies Act, 1956. RLL through its Reliance Timeout stores has, in a short span of time, created a niche for itself in the category of books, music, movies and stationery. The business of RLL is divided into two divisions viz. (i) Trading Division, which comprises the business of retail trading in books, music, movies, cosmetics, toys, stationery and gift items through Reliance Timeout stores operated in India; and (ii) International Trade Division which comprises the business of sourcing and importing goods and exporting goods to international customers.
 - e. Reliance Trends Limited (“**RTL**”) is a company incorporated under the Companies Act, 1956. RTL is India’s largest fashion destination with presence in all major cities and towns in India. The business of RTL is divided into two divisions viz. (i) Trading Division, which comprises the business of retail trading in apparel and accessories through Reliance Trends stores operated in India; and (ii) International Trade Division which comprises the business of sourcing and importing goods and exporting goods to international customers.
- (iii) A brief description of the **Group ‘B’** Companies, which are party to this Scheme is as follows:
 - a. Reliance Autozone Limited (“**RAL**”) is a company incorporated under the Companies Act, 1956. RAL is engaged in the business of operating one stop shop for retailing of automotive products and providing car care activities, from entry level segment to premium level segment, through conveniently located ‘Reliance Autozone’ stores.

- b. Reliance Digital Media Limited (“**RDML**”) is a company incorporated under the Companies Act, 1956, RDML is engaged in the business of providing in-store advertising opportunities to advertisers in various format stores of Reliance Fresh, Reliance digital, etc. by use of innovative approach and application of latest technology to create awareness of products/ services of its clients.
 - c. Reliance Replay Gaming Limited (“**RRGL**”) is a company incorporated under the Companies Act, 1956. RRGL is engaged in the business of providing gaming and entertainment facilities to its customers.
 - d. RESQ Limited (“**RESQL**”) is a company incorporated under the Companies Act, 1956. RESQL is engaged in the business of providing comprehensive pre-sale and post-sale services to customers of Reliancedigital stores for consumer durable, home appliances and electronics products.
 - e. Reliance Retail Limited (“**RRL**”) is a company incorporated under the Companies Act, 1956. RRL, through its various wholly-owned subsidiaries including Reliance Fresh Limited, is engaged in the business of retail and wholesale trade business catering to domestic as well as international customers.
- (iv) Reliance Fresh Limited (“**RFL**”) is a company incorporated under the Companies Act, 1956. RFL is engaged in the Value Format retail business through multiple format stores such as Reliance Fresh, Reliance Super and Reliance Mart. RFL, through its retail stores is engaged in retail trading in all kinds of fruits, vegetables, food articles, groceries, fast moving consumer goods, lifestyle products, consumer durables, apparel, electronics, footwear etc. RFL is the largest grocery retailer in India. RFL also carries on wholesale format stores under the name of ‘Reliance Market’. RFL is the Resulting Company/Second Transferee Company under the Scheme.

II. Scheme Summary

- (i) The Demerged Undertakings (as defined hereinafter) of the Group ‘A’ Companies shall be transferred to and vested in RFL under the Scheme pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956.
- (ii) The Group ‘A’ Companies (other than RTL) comprising their respective Remaining Undertakings (as defined hereinafter) shall be amalgamated with RTL under the Scheme pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956.
- (iii) The Group ‘B’ Companies shall be amalgamated with RFL under the Scheme pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956.
- (iv) All the Group ‘A’ Companies and all the Group ‘B’ Companies (except Reliance Retail Limited) are wholly owned subsidiaries of RFL. RFL is a wholly owned subsidiary of Reliance Retail Limited.

III. Rationale for the Scheme of Arrangement and Amalgamation:

- a. The Scheme provides for realignment and consolidation of the various formats of retail businesses being carried on by the existing subsidiary companies of Reliance Retail Limited. Such realignment and consolidation will result in enhanced operational flexibility, efficiencies and greater and optimal utilization of resources.
- b. The activities of all the Group ‘A’ Companies may conveniently be divided into two distinct divisions, that is, domestic trade operations (“Trading Division”) and international trade operations (“International Trade Division”). In order to consolidate operations and simplify the group structure, it is decided to restructure operations so as to (i) house all domestic trade operations of all Group ‘A’ Companies in one company namely, Reliance Fresh Limited by demerger of their respective Trading Divisions to Reliance Fresh Limited and (ii) all the international trade operations of Group ‘A’ Companies (other than Reliance Trends Limited) are to be consolidated in another company namely, Reliance Trends Limited resulting in consolidation of the domestic trade operations and international trade operations in separate companies based on geographical business verticals.
- c. The amalgamation of Group ‘B’ Companies with Reliance Fresh Limited will result in activities connected to organised retail business being consolidated in a single company.
- d. The restructuring will strengthen the leadership in terms of revenues, product range and volumes resulting in enhanced shareholder value.
- e. The restructuring of companies belonging to the same group will simplify business structure by eliminating multiple entities engaged in similar and connected activities, which are interlinked and can be conveniently

combined thereby creating a single unified entity in place of holding company and subsidiary companies carrying on activities as separate entities.

- f. The proposed consolidation and the consequent reduction in the number of companies will lead to a significant reduction in the multiplicity of legal and regulatory compliances.
- g. The restructuring will also result in improvement in cash management enabling Reliance Fresh Limited to improve its financials and have an increased asset base and enable expansion of operations.
- h. The restructuring will result in increased administrative and operational efficiency by reduction in costs and elimination of duplication of various activities, through operational synergies, sourcing benefits and economies of scale.
- i. The restructuring of the corporate structure pursuant to the Scheme also provides for an optimum equity share capital for a robust financial management through adequate gearing.

IV. Effect of the Scheme:

- a. The Scheme is a composite scheme and provides for the following:
 - (i) Demerger of the domestic trade operations (the Demerged Undertakings as defined hereinafter) of each of the Group 'A' Companies to Reliance Fresh Limited;
 - (ii) Amalgamation of the demerged Group 'A' Companies (other than Reliance Trends Limited) comprising their respective Remaining Undertakings (i.e the Remaining Undertakings other than the RTL Remaining Undertaking) with Reliance Trends Limited; and
 - (iii) Amalgamation of the Group 'B' Companies with Reliance Fresh Limited.
- b. The demerger of the respective Demerged Undertakings (as defined hereinafter) of the Group 'A' Companies to Reliance Fresh Limited shall be effected under this Scheme of Arrangement and Amalgamation under the provisions of Sections 391 to 394 of the Companies Act, 1956 and in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961.
- c. The amalgamation of the Group 'A' Companies (other than Reliance Trends Limited) with Reliance Trends Limited shall be effected under this Scheme of Arrangement and Amalgamation pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
- d. The amalgamation of the Group 'B' Companies with Reliance Fresh Limited shall be effected under this Scheme of Arrangement and Amalgamation pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961.

V. Parts of the Scheme:

The Scheme of Arrangement and Amalgamation is divided into parts as under:

- PART I:** Part I sets out definitions and interpretation, which are common to and shall apply to all parts of the Scheme and share capital of each Company;
- PART II:** Part II sets out the specific provisions for demerger of the Demerged Undertakings (as defined hereinafter) of the Group 'A' Companies to RFL;
- Part III:** Part III sets out the specific provisions for amalgamation of the Group 'A' Companies (other than RTL) comprising their respective Remaining Undertakings (as defined hereinafter) with RTL;
- PART IV:** Part IV sets out the specific provisions for amalgamation of the Group 'B' Companies with RFL;
- PART V:** Part V sets out the provisions with respect to Employees of all Companies;
- PART VI:** Part VI sets out the provisions with respect to re-organisation of the share capital of RTL and RFL;
- PART VII:** Part VII sets out the Accounting Treatment to be effected in the books of the Companies;
- PART VIII:** Part VIII sets out general terms and conditions applicable to this Scheme of Arrangement and Amalgamation.

PART I
DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. Definitions:

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

- a) **“Act”** shall mean the Companies Act, 1956 including any statutory modification or re-enactment thereof or amendment thereto, from time to time.
- b) **“Appointed Date”** shall mean 1st April 2012;
- c) **“Companies”** shall mean all or any two or more of the Group ‘A’ Companies, the Group ‘B’ Companies and RFL as the context may require collectively and **“Company”** means any of them as the context may require;
- d) **“Demerged Companies”** shall mean collectively all or any two or more of the Group ‘A’ Companies and **“Demerged Company”** means any one of them as the context may require;
- e) **“Demerged Undertaking”** shall, in relation to each Demerged Company, mean the following:
 - (i) Trading division of RDRL being its entire Undertaking pertaining to the business of retail trading in consumer durable, home appliances and Information Technology products through multiple format stores operated in India including the specific assets described in **Part A of Schedule I** hereto and the specific liabilities listed in **Part B of Schedule I** hereto;
 - (ii) Trading division of RFPL being its entire Undertaking pertaining to the business of retail trading in footwear and accessories through ‘Reliance Footprint’ stores operated in India including the specific assets described in **Part A of Schedule II** hereto and the specific liabilities listed in **Part B of Schedule II** hereto;
 - (iii) Trading division of RGJL being its entire Undertaking pertaining to the business of retail trading in jewellery and precious stones through ‘Reliance Jewels’ stores operated in India including the specific assets described in **Part A of Schedule III** hereto and the specific liabilities listed in **Part B of Schedule III** hereto;
 - (iv) Trading division of RLL being its entire Undertaking pertaining to the business of retail trading in books, music, movies, cosmetics, toys, stationery and gift items through ‘Reliance Timeout’ stores operated in India including the specific assets described in **Part A of Schedule IV** hereto and the specific liabilities listed in **Part B of Schedule IV** hereto; and
 - (v) Trading division of RTL, being its entire Undertaking pertaining to the business of retail trading in apparel and accessories through ‘Reliance Trends’ stores operated in India including the specific assets described in **Part A of Schedule V** hereto and the specific liabilities listed in **Part B of Schedule V hereto**.

In relation to a Demerged Undertaking, any question that may arise as to whether an asset or liability pertains or does not pertain to the Demerged Undertaking shall be decided by mutual agreement between the concerned Demerged Company and the Resulting Company.

- f) **“Demerged Undertakings”** shall mean collectively Demerged Undertaking of RDRL, Demerged Undertaking of RFPL, Demerged Undertaking of RGJL, Demerged Undertaking of RLL and Demerged Undertaking of RTL.
- g) **“Effective Date”** shall mean the last of the dates on which the Order of the High Court sanctioning the Scheme is filed by all the Companies with the concerned Registrar of Companies having jurisdiction over them.
- h) **“First Transferee Company”** or **“RTL”** shall mean Reliance Trends Limited, a company incorporated under the Act having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002 in the State of Maharashtra.
- i) **“Governmental Authority”** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction.
- j) **“Group ‘A’ Amalgamating Companies”** shall mean collectively RDRL, RFPL, RGJL and RLL, i.e. the Group ‘A’ Companies excluding RTL.

- k) **“Group ‘A’ Companies”** shall mean collectively the following companies:
- (i) Reliance Digital Retail Limited, a company incorporated under the Companies Act, 1956 having its registered office at 5th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002, Maharashtra. Reliance Digital Retail Limited is referred to as **“RDRL”**;
 - (ii) Reliance Footprint Limited, a company incorporated under the Companies Act, 1956 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002, Maharashtra. Reliance Footprint Limited is referred to as **“RFPL”**;
 - (iii) Reliance Gems and Jewels Limited, a company incorporated under the Companies Act, 1956 having its registered office at 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai - 400 021, Maharashtra. Reliance Gems and Jewels Limited is referred to as **“RGJL”**;
 - (iv) Reliance Leisures Limited, a company incorporated under the Companies Act, 1956 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002, Maharashtra. Reliance Leisures Limited is hereinafter to as **“RLL”**; and
 - (v) Reliance Trends Limited, a company incorporated under the Companies Act, 1956 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002, Maharashtra. Reliance Trends Limited is referred to as **“RTL”** or the **“First Transferee Company”**.
- l) **“Group ‘B’ Companies”** or “Group ‘B’ Amalgamating Companies” shall mean the following companies:
- (i) Reliance Autozone Limited, a company incorporated under the Companies Act, 1956 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002, Maharashtra. Reliance Autozone Limited is referred to as **“RAL”**;
 - (ii) Reliance Digital Media Limited, a company incorporated under the Companies Act, 1956 having its registered office at 5th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002, Maharashtra. Reliance Digital Media Limited is referred to as **“RDML”**;
 - (iii) Reliance Replay Gaming Limited, a company incorporated under the Companies Act, 1956 having its registered office at Dhobi Talao, 5th Floor, Court House, Lokmanya Tilak Marg, Mumbai - 400 002, Maharashtra. Reliance Replay Gaming Limited is referred to as **“RRGL”**;
 - (iv) RESQ Limited, a company incorporated under the Companies Act, 1956 having its registered office at 5th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002, Maharashtra. RESQ Limited is referred to as **“RESQL”**.
 - (v) Reliance Retail Limited, a company incorporated under the Companies Act, 1956 having its registered office at 9th Floor, Maker Chambers-IV, 222, Nariman Point, Mumbai - 400 021, Maharashtra, Reliance Retail Limited is referred to as **“RRL”**.
- m) **“High Court”** shall mean the High Court of Judicature at Bombay having jurisdiction over all the Companies, which are party to the Scheme, and shall include the Tribunal constituted under the Act, as applicable.
- n) **“Income Tax Act”** shall mean the Income Tax Act, 1961 including any statutory modification or re-enactment thereof or amendment thereto for the time being in force.
- o) **“Remaining Undertakings”** shall, in relation to each Demerged Company mean the following:
- (i) **“RDRL Remaining Undertaking”** being the International Trade division of RDRL which comprises the business of sourcing and importing goods and exporting goods to international customers together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RDRL which do not form part of the Demerged Undertaking of RDRL.
 - (ii) **“RFPL Remaining Undertaking”** being the International Trade division of RFPL which comprises the business of sourcing and importing goods and exporting goods to international customers together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RFPL which do not form part of the Demerged Undertaking of RFPL.

- (iii) **“RGJL Remaining Undertaking”** being the International Trade division of RGJL which comprises the business of sourcing and Importing goods and exporting goods to international customers together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RGJL which do not form part of the Demerged Undertaking of RGJL.
- (iv) **“RLL Remaining Undertaking”** being the International Trade division of RLL which comprises the business of sourcing and importing goods and exporting goods to international customers together with all properties, assets and liabilities relating to such business and all other assets and properties and liabilities of RLL which do not form part of the Demerged Undertaking of RLL.
- (v) **“RTL Remaining Undertaking”** being the International Trade division of RTL, which comprises the business of sourcing and importing goods and exporting goods to international customers together with all properties relating to such business and all other assets and properties and liabilities of RTL which do not form part of the Demerged Undertaking of RTL

and “Remaining Undertakings” shall mean all or any two or more of the above collectively, as the context may require.

- p) **“Resulting Company”** or **“Second Transferee Company”** or **“RFL”** shall mean Reliance Fresh Limited, a company incorporated under the Act having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400 002 in the State of Maharashtra.
- q) **“Schedules”** shall mean the schedules to this Scheme.
- r) **“Scheme”** shall mean this composite Scheme of Arrangement and Amalgamation as submitted in the present form to the High Court or with any modification(s) approved or imposed or directed by the High Court.
- s) **“Transferor Companies”** shall, as the context may require, in relation to Part II of the Scheme mean the Demerged Companies; in relation Part III of the Scheme mean the Group ‘A’ Amalgamating Companies; and in relation to Part IV of the Scheme mean the Group ‘B’ Amalgamating Companies.
- t) **“Undertaking”** in relation to:
 - (i) a Demerged Company shall mean all the activities and operations of that Demerged Company pertaining to its Demerged Undertaking, as a going concern; and
 - (ii) a Group ‘A’ Amalgamating Company shall mean all activities and operations of that Company after the demerger of its Demerged Undertaking takes effect, comprising activities and operations pertaining to its Remaining Undertaking, as a going concern; and
 - (iii) a Group ‘B’ Amalgamating Company shall mean all activities and operations of that Company, as a going concern;

and in each case shall include, without limitation, the following (x) in relation to the Demerged Undertaking of the concerned Demerged Company or, as the case may be, (y) in relation to the concerned Amalgamating Company:

 - (I) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent), including, without limitation, plant, machinery, equipment, vehicles, furniture, fixtures, office equipment, appliances, current assets, inventory, stock-in-trade, power lines, power sanctions, telephones, telexes, facsimile, internet connections, leased line connections and installations, water, utilities, electricity and other services connections, leases, tenancies, office or residential properties, guest houses, licenses, fixed and other assets, right, title, interest, benefit, privileges of whatsoever nature and wheresoever situate belonging to and in the ownership, power and possession of the Company, whether in India or abroad;
 - (II) All deposits and investments security deposits, contingent rights or benefits, receivables, claims, refunds and reimbursements of, or earnest moneys paid, financial assets, leases (including lease rights), hire purchase assets, lending contracts, rights and benefits under any agreements, benefit of any security arrangements or under any guarantees, reserves, provisions and funds;
 - (III) All debts, loans, liabilities (including contingent liabilities), duties, undertakings and obligations of any kind, nature and description whatsoever and howsoever arising including borrowings, bills payable, interest and other obligations or guarantees given or undertaken and for sake of clarification, in case of a Demerged Company shall

be restricted to (i) debts, loans and liabilities which accrue or arise out of the activities or operations of the related Demerged Undertaking and (ii) loans and borrowings (including debentures) raised, incurred and utilized solely for the activities or operations of the related Demerged Undertaking;

- (IV) All registrations, agreements, licences, reversions, powers, permissions, engagements, arrangements, authorities, allotments, entitlements, assignments, grants, privileges, sanctions, approvals, authorisations, permits, quotas, subsidies, deferrals, incentives, concessions, exemptions, relaxations, rights, claims, liberties, sanctions, consents, contracts and other benefits arising out of any law or programme or policy of the Government or any municipal or other authority, whether past, present or future;
- (V) All tax credits, refunds, reimbursements, claims, concessions, exemptions, benefits under service tax laws, value added tax (VAT), purchase tax, sales tax or any other duty or tax or cess or imposts under any Central or State law including sales tax deferrals and Minimum Alternate Tax (“MAT”) paid under Section 115JA/115JB of the Income Tax Act, advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any, and depreciation, MAT credit, deductions and benefits under the Income Tax Act;
- (VI) All trade and service names and marks, patents, designs, copyrights, software and computer programmes, databases, domain name(s) and other intellectual property rights of any kind including all applications filed for registration of any such rights and the benefits thereof and any assignment thereof or related thereto;
- (VII) All rights, benefits and other interest, whether held in trust or otherwise, contracts, agreements, powers, engagements, arrangements of all kind, privileges and all other rights including title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, possession, power or custody of or in the control of or vested in or granted in favour of or enjoyed by the Company in relation to the Undertaking, which is being transferred under the Scheme, whether in India or abroad;
- (VIII) All permanent employees; and
- (IX) All records, files, papers, manuals, data, sales and advertising materials, lists and other details of customers and suppliers, credit information, pricing information, whether in physical or electronic form.
- 1.2 All terms 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, the Depositories Act, 1996 and other applicable laws, rules, regulations, byelaws, as the case may be or any statutory modifications or re-enactment thereof for the time being in force.
- 1.3 Words importing the plural shall, in this Scheme, include the singular and vice-versa.
- 1.4 The Schedules form an integral part of this Scheme.

2. Share Capital

2.1 Group ‘A’ Companies

The authorised share capital and the issued, subscribed and paid-up share capital of each of the Group ‘A’ Companies is as under:

2.1.1 Reliancedigital Retail Limited (RDRL):

- (a) As per the audited annual accounts of RDRL as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RDRL was as under:

	Rs	Rs
Authorised Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RDRL remained the same.

2.1.2 Reliance Footprint Limited (RFPL)

- (a) As per the audited annual accounts of RFPL as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RFPL was as under:

	Rs	Rs
Authorised Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RFPL remained the same.

2.1.3 Reliance Gems and Jewels Limited (RGJL)

- (a) As per the audited annual accounts of RGJL as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RGJL, was as under:

	Rs	Rs
Authorised Share Capital:		
10,10,000 Equity Shares of Rs. 10/- each.	1,01,00,000/-	1,01,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
10,10,000 Equity Shares of Rs. 10/- each.	1,01,00,000/-	1,01,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RGJL remained the same.

2.1.4 Reliance Leisures Limited (RLL)

- (a) As per the audited annual accounts of RLL us on **31st March 2012**, the authorised, issued, subscribed and paid-up, share capital of RLL was as under:

	Rs	Rs
Authorised Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up-share capital of RLL remained the same.

2.1.5 Reliance Trends Limited (RTL)

- (a) As per the audited annual accounts of RTL. as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RTL was as under:

	Rs	Rs
Authorised Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RTL remained the same.

2.2 Group 'B' Companies

The authorised share capital and the issued, subscribed and paid-up share capital of each of the Group 'B' Companies is as under:

2.2.1 Reliance Autozone Limited (RAL)

- (a) As per the audited annual accounts of RAL, as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RAL was as under.

	Rs	Rs
Authorised Share Capital:		
2,00,000 Equity Shares of Rs. 10/- each.	20,00,000/-	20,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RAL remained the same.

2.2.2- Reliance Digital Media Limited (RDML)

- (a) As per the audited annual accounts of RDML as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RDML was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RDML remained the same.

2.2.3 Reliance Replay Gaming Limited (RRGL)

- (a) As per the audited annual accounts of RRGL as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RRGL. was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RRGL remained the same.

2.2.4 RESQ Limited (RESQL)

- (a) As per the audited annual accounts of RESQL as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RESQL was as under:

	Rs	Rs
Authorised Share Capital:		
50,000 Equity Shares of Rs. 10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs. 10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RESQL remained the same.

2.2.5 Reliance Retail Limited (RRL)

- (a) As per the audited annual accounts of RRL as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital of RRL was as under:

	Rs	Rs
Authorised Share Capital:		
(i) 1000,00,00,000 Equity Shares of Rs. 10/- each.	10000,00,00,000/-	-
(ii) 500,00,00,000 Preference Shares of Rs. 10/- each.	5000,00,00,000/-	15,000,00,00,000/-
Issued, Subscribed and Paid-up Share Capital:		-
(i) 573,59,02,750 Equity Shares of Rs. 10/- each fully paid-up.	5735,90,27,500/-	
(ii) 258,00,00,000 Preference Shares of Rs. 10/- each fully paid-up.	2580,00,00,000/-	8315,90,27,500/-

Note: RRL has issued Restricted Stock Units (“RSUs”) to Eligible Employees under the Reliance Retail Employees Restricted Stock Unit Plan 2007 under which the Eligible Employees are entitled to 1 (one) equity share of Rs. 10/- each of RRL for every RSU on Vesting. As on 31st March 2012, RSUs in force total to 443,70,605.

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RRL remained the same.

2.3 Reliance Fresh Limited (RFL)

- (a) As per the audited annual accounts of RFL as on **31st March 2012**, the authorised, issued, subscribed and paid-up share capital

	Rs	Rs
Authorised Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
10,50,000 Equity Shares of Rs. 10/- each.	1,05,00,000/-	1,05,00,000/-

- (b) As on 1st January 2013, the authorized, issued, subscribed and paid-up share capital of RFL remained the same.

PART II

DEMERGER OF DEMERGED UNDERTAKINGS TO SECOND TRANSFEREE COMPANY OR RESULTING COMPANY

3. Implementation of Part II of Scheme:

On the Effective Date, the provisions of this Part II shall be implemented from the start of business on the Appointed Date.

4. Transfer of Demerged Undertaking

4.1 Generally

All the Demerged Undertakings shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company, as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become the undertakings of the Resulting Company by virtue of and in the manner provided in this Scheme.

4.2 Transfer of Assets

4.2.1 Without prejudice to the generality of Clause 4.1 above:

- (a) All the assets and properties forming part of the Demerged Undertakings of whatsoever nature and wheresoever situate and which are incapable of passing by manual delivery, shall, pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed be and stand transferred to and vested in the Resulting Company or be deemed to be transferred to and vested in the Resulting

Company as a going concern so as to become the assets and properties of the Resulting Company, subject however to the provisions of Clause 4.4 hereinbelow.

- (b) Without prejudice to the provisions of sub-clause (a) of this Clause 4.2.1, in respect of such assets and properties forming part of the Demerged Undertakings, as are moveable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the respective Demerged Companies to the Resulting Company and shall, upon such transfer, become the assets and properties of the Resulting Company as an integral part of the Demerged Undertakings, without requiring any separate deed or instrument or conveyance for the same.
- (c) In respect of moveable properties of the Demerged Companies forming part of the Demerged Undertakings other than those dealt with in sub-clause (b) of this Clause 4.2.1 or any incorporeal property and in respect of current assets, sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi-Government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to the debtor or any other person. Each Demerged Company shall, if required, give notice in such form as it may deem fit and proper, to each person, debtor or depositor, authority, body or company, as the case may be, to the effect that, pursuant to the High Court having sanctioned the Scheme, the said property or debts, loans, advances, balances, Investments and deposits be paid, or made good, or held, on account of the Resulting Company as the person entitled thereto and that appropriate entry should be passed in its books to record the aforesaid change. The Resulting Company, shall, if required, also give notice in such form as it may deem fit and proper to each person, debtor, depositor, authority, body or company, as the case may be, that, pursuant to the High Court having sanctioned the Scheme, the said property, debts, loans, advances, balances, investments and deposits be paid, or made good, or held, on account of the Resulting Company.
- (d) All registrations, agreements, licences, reversions, powers, permissions, engagements, arrangements, authorities, allotments, entitlements, assignments, grants, privileges, sanctions, approvals, authorisations, permits, quotas, subsidies, deferrals, incentives, concessions, exemptions, relaxations, rights, claims, liberties, sanctions, consents, contracts and other benefits enjoyed or conferred upon or held or availed of by the Demerged Companies and all rights and benefits that have accrued or which may accrue to the Demerged Companies, whether before or after the Appointed Date, in relation to the Demerged Undertakings shall, pursuant to the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Resulting Company so as to become the registrations, agreements, licences, reversions, powers, permissions, engagements, arrangements, authorities, allotments, entitlements, assignments, grants, privileges, sanctions, approvals, authorisations, permits, quotas, subsidies, deferrals, incentives, concessions, exemptions, relaxations, rights, claims, liberties, sanctions, consents, contracts and other benefits of the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions.

4.2.2 All assets and properties comprised in the Demerged Undertakings of the Demerged Companies, as on the start of business on the Appointed Date, whether or not included in the books of the Demerged Companies, and all assets and properties, which are acquired by the Demerged Companies on or after the Appointed Date till the Effective Date in relation to and forming part of the Demerged Undertakings, shall be deemed to be and shall become the assets and properties of the Resulting Company by virtue of and in the manner provided in this Scheme and shall, pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Resulting Company or be deemed to be transferred to and vested in the Resulting Company, provided however that no onerous asset shall have been acquired by the Demerged Companies in respect of the Demerged Undertakings after the date of first filing of the Scheme in the High Court, without the prior written consent of the Board of Directors of the Resulting Company.

4.3 Transfer of Liabilities

4.3.1. Without prejudice to the generality of Clause 4.1 above, all debts, loans (including convertible loans, if any), liabilities and obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), of every kind, nature and description of the Demerged Companies relating to and forming part of the Demerged Undertakings, whether or not provided in the books of the

Demerged Companies, shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be transferred to and be assumed by or be deemed to be transferred to and assumed by the Resulting Company, without any further act, instrument, deed, matter or thing and the same shall be assumed by the Resulting Company to the extent they are outstanding on the Effective Date so as to become the liabilities of the Resulting Company on the same terms and conditions as were applicable to the Demerged Companies and the Resulting Company shall meet, discharge and satisfy the same and further 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 liabilities have arisen in order to give effect to the provisions of this Clause.

- 4.3.2 All debts, loans (including convertible loans, if any), liabilities and obligations raised, utilized, incurred or undertaken by the Demerged Companies or which may arise or accrue to the Demerged Companies in relation to or forming part of the Demerged Undertakings on and after the Appointed Date and till the Effective Date shall be deemed to have been raised, utilised, incurred or undertaken for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall pursuant to the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to and assumed by or be deemed to have been transferred to and assumed by the Resulting Company and shall become the debts, loans, liabilities and obligations of the Resulting Company which shall meet, discharge and satisfy the same and further 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, loans, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.
- 4.3.3 Where any of the liabilities of the Demerged Companies in relation to or forming part of the Demerged Undertakings have been discharged / satisfied by the Demerged Companies or after the Appointed Date and till the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.
- 4.3.4 Debts, loans, advances, liabilities and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may hereafter become due between the Demerged Companies and the Resulting Company in relation to the Demerged Undertakings or between the Demerged Companies inter-se in relation to their respective Demerged Undertakings shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Demerged Companies and/or the Resulting Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the start of business on the Appointed Date.
- 4.3.5 Without prejudice to the foregoing provisions of this Clause:
- (i) All debentures (whether convertible or non-convertible and whether secured or unsecured), bonds or other debt securities or instruments, if any (hereinafter referred to as the “**Debt Securities**”) of the Demerged Companies in relation to or forming part of their respective Demerged Undertakings shall, if any such Debt Securities are outstanding on the Effective Date, subject to sub-clause (ii) of this Clause 4.3.6, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, without any further act, instrument or deed become the Debt Securities of the Resulting Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Resulting Company to the same extent as if it were the concerned Demerged Company in respect of the Debt Securities so transferred.
 - (ii) Any Debt Securities issued by the Demerged Companies in relation to or forming part of their respective Demerged Undertakings and held by the Resulting Company or held by any of the other Demerged Companies as part of their respective Demerged Undertakings shall, unless transferred by the Resulting Company and/or any of the other Demerged Companies to any other person, at any time prior to the Effective Date, stand cancelled as on the Effective Date and be of no effect and appropriate effect shall be given to such cancellation in the books of accounts and records of the Demerged Companies and the Resulting Company. The certificates issued by the Demerged Companies in relation to such Debt Securities shall, without any further application, act, instrument or deed, be deemed to be and stand-automatically cancelled on the Effective Date.
 - (iii) Any debentures (whether convertible or non-convertible and whether secured or unsecured), bonds or other debt securities or instruments issued by the Resulting Company and held by the Demerged Companies in relation to or forming part of their respective Demerged Undertaking shall, unless transferred by the Demerged Companies to any other person, at any time prior to the Effective Date, stand cancelled on the Effective Date and be of no effect

and appropriate effect shall be given to such cancellation in the books of accounts and records of the Demerged Companies and the Resulting Company. The certificates issued by the Resulting Company in relation to such debentures, bonds or other debt securities shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled as on the Effective Date.

4.4 Encumbrances on Assets forming part of Demerged Undertaking

- 4.4.1 The transfer and vesting of the assets forming part of the Demerged Undertaking under Clauses 4.1 and 4.2 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
- 4.4.2 (a) The securities, charges, encumbrances or liens (hereinafter in this Clause 4.4 referred to as the “**Encumbrances**”) existing, on the Effective Date, over the assets forming part of the respective Demerged Undertakings of the Demerged Companies or any part thereof and transferred to the Resulting Company in terms of this Scheme shall, without any further act or deed, continue to relate or attach to such assets or any part thereof transferred to the Resulting Company, but such Encumbrances, if any, shall not relate or attach to the other assets and properties of the Resulting Company or any part thereof or to any assets of any of the other Demerged Undertakings transferred to the Resulting Company or any part thereof.
- (b) Without prejudice to sub-clause (a) of this Clause 4.4.2, it is clarified that any reference in any security documents or arrangements in relation to the Encumbrances to a Demerged Company and its assets and properties, shall be construed as a reference to the Resulting Company and the assets and properties of the Resulting Company, provided always that such Encumbrances, if any, shall extend only to and over those assets and properties forming part of the Demerged Undertakings which are transferred to and vested in the Resulting Company and not any other assets and properties of the Resulting Company or the assets and properties forming part of any other Demerged Undertakings transferred to the Resulting Company in terms of this Scheme.
- (c) In so far as any Encumbrances, existing, or created at any time prior to the Effective Date, over the assets forming part of the Demerged Undertakings, are security for the debts, liabilities and obligations of the Demerged Companies in relation to their respective Remaining Undertaking retained with the Demerged Companies, the same shall, on the Effective Date, without any further act, instrument or deed, be modified to the extent that all such assets shall stand released and discharged from the obligations attached thereto, and securities created thereon, to secure the debts, liabilities and obligations of the Demerged Companies in relation to the Remaining Undertaking retained with the Demerged Companies and such Encumbrances shall cease to operate against the assets forming part of the Demerged Undertakings transferred to the Resulting Company in terms of this Scheme. The absence of any formal amendment which may be required by any lender or third party shall not affect the operation of this Clause.
- (d) In so far as any securities, charges, encumbrances or liens, existing or if created at any time prior to the Effective Date, over the assets forming part of the Remaining Undertakings retained with the Demerged Companies are security for the debts, liabilities and obligations of the Demerged Companies in relation to their respective Demerged Undertaking transferred to the Resulting Company, the same shall, on the Effective Date, without any further act, instrument or deed, be modified to the extent that all such assets shall stand released and discharged from the obligations attached thereto, and securities created thereon, to secure the debts, liabilities and obligations of the Demerged Companies in relation to the Demerged Undertakings transferred to the Resulting Company and such encumbrances shall cease to operate against the assets forming part of the Remaining Undertakings retained with the Demerged Companies in terms of this Scheme. The absence of any formal amendment which may be required by any lender or third party shall not affect the operation of this Clause.
- 4.4.3 The existing securities, encumbrances or liens over the assets and properties of the Resulting Company or any part thereof which relate to any liability, loan, deposit or facility availed of by the Resulting Company shall continue to relate or attach to the assets and properties of the Resulting Company to which the same relate or attach and nothing contained in this Scheme shall operate to enlarge or extend such securities, charges, encumbrances or liens to any of the assets or properties forming part of the Demerged Undertakings or any part thereof which are transferred to and vested in the Resulting Company in terms of this Scheme.
- 4.4.4 Without prejudice to the foregoing provisions, the Demerged Companies and the Resulting Company may execute any supplemental instruments or documents for recording the change of the entity and do all sets and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the concerned Registrar of Companies to give formal effect to the substitution of the names of the Demerged Companies with the name of the Resulting Company, if required.

4.4.5 The provisions of this Clause 4.4 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

4.5 Inter-se Transactions

Without prejudice to Clauses 4.1 to 4.4, with effect from the start of business on the Appointed Date, all inter-party transactions between the Demerged Companies and the Resulting Company in relation to the Demerged Undertakings and between any of the Demerged Companies in relation to the Demerged Undertakings shall be considered as intra-party transactions for all purposes and the same shall stand cancelled without any further act, instrument or deed.

5. Contracts, Deeds, etc.

5.1 On the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Demerged Companies or powers or authorities granted by or to it) of whatsoever nature to which the Demerged Companies are a party or to the benefit of which the Demerged Companies may be eligible, all in relation to or in connection with their respective Demerged Undertakings and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Companies, the Resulting Company had been a party or beneficiary or obligee or obligor thereto or thereunder.

5.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertakings of the Demerged Companies in the Resulting Company occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, take such actions or enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of, any party to any contract or arrangement to which the Demerged Companies are a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Companies and to carry out or perform all such formalities or compliances required for the purposes referred to above.

5.3 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, certificates, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Companies in relation to the Demerged Undertakings shall stand transferred to the Resulting Company, as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company. The Resulting Company shall obtain relevant approvals from the concerned Governmental Authority, as may be necessary in this behalf.

6. Legal Proceedings

On and from the Appointed Date, all suits, claims, actions and legal proceedings instituted and/or arising and/or pending by or against the Demerged Companies in relation to their respective Demerged Undertakings shall be continued and/or enforced until the Effective Date as desired by the Resulting Company and on and from the Effective Date, shall be continued and/or enforced by or against the Resulting Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or had arisen and/or were pending by or against the Resulting Company.

7. Conduct of Business

7.1 With effect from-the-start of business on the Appointed Date and till the Effective Date:

(a) The Demerged Companies shall carry on and shall be deemed to have carried on all their business and activities relating to their respective Demerged Undertakings as hitherto and shall hold and stand possessed of and shall be

deemed to have held and stood, possessed of their respective Demerged Undertakings on account of, and for the benefit of, and in trust for, the Resulting Company.

- (b) All the profits or incomes accruing or arising to the Demerged Companies and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) in relation to the Demerged Undertakings by the Demerged Companies shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Resulting Company.
- (c) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Demerged Companies and exercised by or available to the Demerged Companies in relation to the Demerged Undertakings shall be deemed to have been exercised by the Demerged Companies for and on behalf of and as an agent for the Resulting Company. Similarly, any of the obligations, duties and commitments attached, relating or pertaining to the Demerged Undertakings that have been undertaken or discharged by the Demerged Companies shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Resulting Company.
- (d) All taxes (including income-tax, sales tax, excise duty, customs duty, service tax, VAT etc.) paid or payable by the Demerged Companies in respect of the operations and/or the profits of the Demerged Undertakings upto the Appointed Date, shall be on account of the Demerged Companies and insofar as it relates to the tax payment (including without limitation income tax, sales tax, excise duty, custom duty, service tax, VAT etc.), whether by way of deduction at source, advance tax or otherwise howsoever by the Demerged Companies in respect of the profits or activities or operations of its business relating to the Demerged Undertakings after the start of business on the Appointed Date, the same shall be deemed to be the corresponding item paid or payable by the Resulting Company and shall, in all proceedings, be dealt with accordingly.

7.2 With effect from the date of first filing of this Scheme with the High Court and till the Effective Date:

- (a) Each Company shall preserve and carry on their respective business and activities with reasonable diligence and business prudence in the same manner as hitherto carried on.
- (b) The Demerged Companies shall not make any change in its capital structure, whether by way of increase (whether by issue of rights, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner except with the consent of the Board of Directors of the Resulting Company.
- (c) The Resulting Company may issue and allot further shares or other securities (whether by issue of rights, bonus shares, convertible debentures or otherwise) or alter its share capital by way of decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner without the consent of the Demerged Companies.

8. Remaining Undertakings of Demerged Companies

- 8.1 The respective Remaining Undertakings including all the properties and assets, investments, debts, liabilities and obligations of the Demerged Companies, which do not form part of the Demerged Undertakings (being the entire business and undertaking of the Demerged Companies excluding the Demerged Undertaking) shall continue to belong to and remain vested in the concerned Demerged Companies subject however to the provisions of the Scheme with respect to the release of (a) the properties and assets comprised in the Demerged Undertakings from the encumbrances created thereon to secure the debts, loans, liabilities and obligations of the Demerged Companies in relation to the Remaining Undertakings which are not transferred to the Resulting Company pursuant to this Scheme; and (b) the properties and assets comprised in the Remaining Undertakings from the encumbrances created thereon to secure the debts, loans, liabilities and obligations of the Demerged Companies in relation to the Demerged Undertakings which are transferred to the Resulting Company pursuant to this Scheme and subject further to the provisions of Part III of this Scheme.
- 8.2 All legal, taxation and other proceedings of whatsoever nature before any Court, tribunal, judicial or quasi-judicial authority by or against the Demerged Companies, whether pending and/or arising 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 Undertakings (including those relating to any property, right, power, liability, obligation or duties of the Demerged Companies in respect of their respective Remaining Undertakings) shall, subject to the provisions of Part III of this Scheme, be continued and enforced by or against the Demerged Companies and the Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation and other proceedings.

- 8.3 The Demerged Companies shall carry on their business and activities pertaining to the Remaining Undertakings in the ordinary course and nothing herein contained shall affect the business and activities of the Demerged Companies in relation to the Remaining Undertakings.
- 8.4 All assets and properties acquired by the Demerged Companies at any time including on and after the start of business on the Appointed Date shall, to the extent that the same do not relate to the Demerged Undertakings, form part of the Remaining Undertakings.
- 8.5 All liabilities, debts and obligations incurred by or arising against the Demerged Companies at any time including on and after the start of business on the Appointed Date shall, to the extent that the same do not relate to the Demerged Undertakings, form part of the Remaining Undertakings.

9. Saving of Concluded Transactions

Subject to the terms of this Scheme, the transfer and vesting of the Demerged Undertakings of the Demerged Companies under this Scheme shall not affect any transactions or proceedings already concluded by the Demerged Companies before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things made, done and executed by the Demerged Companies in relation to their respective Demerged Undertakings as acts, deeds and things made, done and executed by or on behalf of the Resulting Company.

10. Increase in Borrowing Limit

The authorized borrowing limit of the Resulting Company in terms of Section 293(1)(d) of the Act shall, without any further act or deed and without any requirement for further approval, stand increased and be deemed to be increased by an amount equivalent to the amount of the liabilities comprised in the Demerged Undertakings transferred to the Resulting Company.

PART III

MERGER OF GROUP 'A' AMALGAMATING COMPANIES COMPRISING THEIR RESPECTIVE REMAINING UNDERTAKINGS WITH FIRST TRANSFEREE COMPANY

11. Implementation of Part III of Scheme:

On the Effective Date, the provisions of this Part III shall be implemented from the start of business on the Appointed Date but immediately after the completion of the transfer of the Demerged Undertakings under Part II of this Scheme;

12. Transfer of Undertakings

12.1 Generally:

- (a) In this Part III, the Group 'A' Amalgamating Companies are referred to as the "Transferor Companies" and this part provides for the amalgamation of the Transferor Companies and their respective Remaining Undertakings as existing after the demerger of the Demerged Undertakings with the First Transferee Company.
- (b) The Remaining Undertakings of all the Transferor Companies after the demerger of the Demerged Undertakings shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the First Transferee Company, each as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become the undertakings of the First Transferee Company by virtue of and in the manner provided in this Scheme.

12.2 Transfer of Assets:

12.2.1 Without prejudice to the generality of Clause 12.1 above:

- (a) All the assets and properties comprised in each of the Undertakings of the Transferor Companies, except for the portion dealt with under sub-clause (b) below, of whatsoever nature and wheresoever situate and which are incapable of passing by manual delivery, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in the First Transferee Company or be deemed to be transferred to and vested in the First Transferee Company as a going concern so as to become the assets and properties of the First Transferee Company, subject however to the provisions of Clause 12.4 hereinbelow.
- (b) Without prejudice to the provisions of sub-clause (a) of this Clause 12.2.1 in respect of such assets and properties of each of the Transferor Companies forming part of their respective Undertakings, as are moveable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall, be so transferred by each Transferor Company to the First Transferee Company and shall, on such transfer, become the assets and properties of the First Transferee Company as an integral part of the Undertakings, without requiring any deed or instrument or conveyance for the same.
- (c) In respect of moveable properties of each of the Transferor Companies forming part of their respective Undertakings other than those dealt with in sub-clause (b) of this Clause 12.2.1, any incorporeal property and in respect of current assets, sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, Semi-Government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the First Transferee Company without any notice or other intimation to the debtor or any other person. The First Transferee Company may, without being obliged to do so, give notice in such form as it may deem-fit and proper to each person, debtor or depositor, authority, body or company, as the case may be, that, pursuant to the High Court having sanctioned the Scheme, the said property, debts, loans, advances, balances, investments and deposits be paid or made good or held on account of the First Transferee Company as the person entitled thereto.
- (d) All registrations, agreements, licences, reversions, powers, permissions, engagements, arrangements, authorities, allotments, entitlements, assignments, grants, privileges, sanctions, approvals, authorisations, permits, quotas, subsidies, deferrals, incentives, concessions, exemptions, relaxations, rights, claims, liberties, sanctions, consents, contracts and other benefits enjoyed or conferred on or held or availed of by each of the Transferor Companies forming part of their respective Remaining Undertakings and all rights and benefits that have accrued or which may-accrue to the respective Transferor Companies, whether before or after the Appointed Date, shall, pursuant to the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the First Transferee Company so as to become the registrations, agreements, rights, claims, privileges, contracts, entitlements, assignments, grants, permits, licences, approvals, authorizations, concessions, consents, engagements, arrangements, reversions, powers, sanctions, authorities, allotments, permissions, quotas, subsidies, special status, incentives, exemptions, relaxations, liberties, tax and other benefits of the First Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

12.2.2 All assets and properties comprised in the Remaining Undertakings of the Transferor Companies whether or not included in the books of the respective Transferor Companies, and all assets and properties, which are acquired by any of the Transferor Companies in relation to their respective Remaining Undertakings on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the assets and properties of the First Transferee Company by virtue of and in the manner provided in this Scheme and shall, pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the First Transferee Company, provided however that no onerous asset shall have been acquired by the Transferor Companies after the date of first filing of this Scheme in the High Court, without the prior written consent of the Board of Directors of the First Transferee Company.

12.3 Transfer of Liabilities

- 12.3.1 Without prejudice to the generality of Clause 12.1 above, all debts, loans (including convertible loans, if any), liabilities and obligations (including any guarantees, letters of credit letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) of every kind, nature and description of each of the Transferor Companies forming part of their respective Remaining Undertakings, whether or not provided in the books of accounts of the Transferor Companies, shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be transferred or be deemed to be transferred to the First Transferee Company, without any further act, instrument, deed, matter or thing and the same shall be assumed by the First Transferee Company to the extent they are outstanding on the Effective Date so as to become the liabilities of the First Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the First Transferee Company shall meet, discharge and satisfy the same and further 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, loans, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.
- 12.3.2 All debts, loans (including convertible loans, if any), liabilities and obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) raised, utilized, incurred or undertaken by any of the Transferor Companies or which may arise or accrue to the Transferor to their Remaining Undertakings shall be Companies on and after the Appointed Date and till the Effective Date in relation deemed to have been raised, utilised, incurred or undertaken for and on behalf of the First Transferee Company and to the extent they are outstanding on the Effective Date, shall, pursuant to the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to and assumed by or be deemed to have been transferred to and assumed by the First Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and shall become the debts, loans, liabilities and obligations of the First Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the First Transferee Company shall meet, discharge and satisfy the same and further 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, loans, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.
- 12.3.3 Where any of the debts, loans (including convertible loans, if any), liabilities and obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) of the respective Transferor Companies in relation to their Remaining Undertakings have been discharged by the concerned Transferor Companies on and after the Appointed Date and till the Effective Date, such discharge shall be deemed to have been for and on account of the First Transferee Company.
- 12.3.4 Debts, loans (including convertible loans, if any), liabilities, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may hereafter become due inter-se any of the Transferor Companies or between any of the Transferor Companies and the First Transferee Company in relation to their Remaining Undertakings shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the First Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the start of business on the Appointed Date.
- 12.3.5 Without prejudice to the foregoing provisions of this Clause:
- (i) All debentures (whether convertible or non-convertible), bonds or other debt securities or instruments, if any (hereinafter referred to as the “Debt Securities”), of any of the Transferor Companies in relation to or forming part of the Remaining Undertakings shall, if any such Debt Securities are outstanding on the Effective Date, subject to sub-clause (ii) of this Clause 12.3.5, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, without any further act, instrument or deed become the Debt Securities of the First Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in

and shall be exercised by or against the First Transferee Company to the same extent as if it were the concerned Transferor Company in respect of the Debt Securities so transferred.

- (ii) Any Debt Securities issued by any of the Transferor Companies in relation to forming part of the Remaining Undertakings and held by any of the other Transferor Companies or the First Transferee Company shall, unless transferred by such other Transferor Companies and/or the First Transferee Company to any other person, at any time prior to the Effective Date, stand cancelled as on the Effective Date and be of no effect and appropriate effect shall be given to such cancellation in the books of accounts and records of the First Transferee Company. The certificates issued by the concerned Transferor Companies in relation to such Debt Securities shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled on the Effective Date.
- (iii) Any debentures, bonds or other debt securities issued by the First Transferee Company and held by any of the Transferor Companies in relation to or forming part of the Remaining Undertakings shall, unless transferred by the concerned Transferor Companies to any other person, at any time prior to the Effective Date, stand cancelled on the Effective Date and be of no effect and appropriate effect shall be given to such cancellation in the books of accounts and records of the First Transferee Company. The certificates issued by the First Transferee Company in relation to such debentures, bonds or other debt securities shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled as on the Effective Date.

12.4 Encumbrances:

12.4.1 The transfer and vesting of the assets and properties of the Transferor Companies under Clauses 12.1 and 12.2 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

12.4.2 (a) The securities, charges, encumbrances or liens, if any (hereinafter referred to as the “**Encumbrances**”) existing, on the Effective Date, over the assets and properties of the respective Remaining Undertakings of the Transferor Companies or any part thereof transferred to the First Transferee Company in terms of this Scheme shall, without any further act or deed, continue to relate or attach to such assets and properties or any part thereof of the Transferor Companies transferred to the First Transferee Company, but such Encumbrances, if any, shall not relate or attach to any of the assets and properties of the First Transferee Company or any part thereof or the assets and properties of the other Transferor Companies transferred to the First Transferee Company or any part thereof.

- (b) Without prejudice to sub-clause (a) of this Clause 12.4.2, it is clarified that any reference in any security documents or arrangements in relation to the Encumbrances to any Transferor Company and its assets and properties, shall be construed as a reference to the First Transferee Company and the assets and properties of the First Transferee Company, provided always that such Encumbrances, if any, shall extend only to and over the assets and properties of the respective Transferor Companies transferred to and vested in the First Transferee Company and not any of the assets and properties of the First Transferee Company or the assets and properties of the other Transferor Companies transferred to the First Transferee Company in terms of this Scheme.

12.4.3 The existing securities, encumbrances or liens over the assets and properties of the First Transferee Company or any part thereof shall continue to relate or attach to the assets and properties of the First Transferee Company to which the same relate or attach and nothing contained in this Scheme shall operate to enlarge or extend such securities, charges, encumbrances or liens to any of the assets or properties of any of the Transferor Companies or any part thereof which are transferred to and vested in the First Transferee Company in terms of this Scheme,

12.4.4 Without prejudice to the foregoing provisions, the First Transferee Company may execute any supplemental instruments or documents for recording the change of the entity and do all acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the concerned Registrar of Companies to give formal effect to the substitution of the names of the Transferor Companies with the name of the First Transferee Company, if required.

12.4.5 The provisions of this Clause 12.4 shall operate in accordance with the terms of this Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document;

all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

12.5 Inter-se Transactions:

Without prejudice to Clauses 12.1 to 12.4, with effect from the start of business on the Appointed Date, all inter-party transactions inter-se any of the Transferor Companies in relation to the Remaining Undertakings and between any of the Transferor Companies and the First Transferee Company in relation to the Remaining Undertakings shall be considered as intra-party transactions for all purposes and the same shall stand cancelled without any further act, instrument or deed.

13. Contracts, Deeds, etc.

- 13.1 On the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of any of the Transferor Companies or powers or authorities granted by or to any of the Transferor Companies) of whatsoever nature to which any of the Transferor Companies is a party or to the benefit of which any of the Transferor Companies may be eligible, all in relation to or in connection with their respective Remaining Undertakings and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against the First Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the First Transferee Company had been a party or obligee thereunder.
- 13.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Remaining Undertakings occurs by virtue of this Scheme itself, the First Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, take such actions or enter into, or issue or execute deeds, writings, confirmations, novations, declarations or other documents with, or in favour of, any party to any contract or arrangement to which any of the Transferor Companies are a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The First Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the concerned Transferor Companies and to carry out or perform all such formalities or compliances required for the purposes referred to above.
- 13.3 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, sanctions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies in relation to the Remaining Undertakings shall stand transferred to the First Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound-by-the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall obtain relevant approvals from the concerned Governmental Authority, as may be necessary in this behalf.

14. Legal Proceedings

On and from the Appointed Date, all suits, actions and legal proceedings, if any, instituted and/or pending and/or arising by or against any of the Transferor Companies in relation to the Remaining Undertakings shall be continued and/or enforced until the Effective Date as desired by the First Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the First Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or were pending and/or arising by or against the First Transferee Company.

15. Conduct of Business

15.1 With effect from the start of business on the Appointed Date and till the Effective Date:

- (a) The Transferor Companies shall carry on and shall be deemed to have carried on all their business and activities

relating to their respective Remaining Undertakings as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of their respective Remaining Undertakings on account of, and for the benefit of, and in trust for, the First Transferee Company.

- (b) All the profits or incomes accruing or arising to the Transferor Companies, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) in relation to their respective Remaining Undertakings shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the First Transferee Company.
- (c) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Remaining Undertakings and exercised by or available to the respective Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the First Transferee Company. Similarly, any of the obligations, duties and commitments attached, relating or pertaining to the Remaining Undertakings that have been undertaken or discharged by the respective Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the First Transferee Company.
- (d) All taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Companies in respect of their respective operations and/or the profits of the Remaining Undertakings upto the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, excise duty, custom duty, service tax, VAT, 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 Remaining Undertakings after the start of business on the Appointed Date, the same shall be deemed to be the corresponding item paid by the First Transferee Company and shall, in all proceedings, be dealt with accordingly.

15.2 With effect from the date of first filing of this Scheme with the High Court and till the Effective Date:

- (a) The Transferor Companies shall preserve and carry on their business and activities with reasonable diligence and business prudence in the same manner as hithertofore carried on.
- (b) The Transferor Companies shall not make any change in their respective capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner except with the consent of the Board of Directors of the First Transferee Company.

16. Saving of Concluded Transactions

Subject to the terms of this Scheme, the transfer and vesting of the Remaining Undertakings of the Transferor Companies under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the First Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the First Transferee Company.

17. Dissolution of Group 'A' Amalgamating Companies:

On the Effective Date, the Group 'A' Amalgamating Companies shall stand dissolved, without winding-up.

18. Increase in Borrowing Limit

The authorized borrowing limit of the First Transferee Company in terms of Section 293(1)(d) of the Act shall, without any further act or deed and without any requirement for further approval, stand increased and be deemed to be increased by an amount equivalent to the amount of the liabilities comprised in the Remaining Undertakings transferred to the First Transferee Company.

19. Validity of Existing Resolutions, etc.

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

PART IV

MERGER OF GROUP 'B' AMALGAMATING COMPANIES WITH SECOND TRANSFEEE COMPANY

20. Implementation of Part IV of Scheme

On the Effective Date, the provisions of this Part IV shall be implemented from the start of business on the Appointed Date but immediately after the completion of the transfer of the Demerged Undertakings under Part II of this Scheme.

21. Transfer of Undertakings

21.1 Generally:

- (a) In this Part IV, the Group 'B' Amalgamating Companies are referred to as the "Transferor Companies" and this part provides for the amalgamation of the Transferor Companies and their respective Undertakings, with the Second Transferee Company.
- (b) The Undertakings of all the Transferor Companies shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Second Transferee Company, each as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become the undertakings of the Second Transferee Company by virtue of and in the manner provided in this Scheme.

21.2 Transfer of Assets:

21.2.1 Without prejudice to the generality of Clause 21.1 above, on the Effective Date and with effect from the Appointed Date:

- (a) All the assets and properties comprised in each of the Undertakings of the Transferor Companies, except for the portion dealt with under sub-clause (b) below, of whatsoever nature and wheresoever situate and which are incapable of passing by manual delivery, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in the Second Transferee Company or be deemed to be transferred to and vested in the Second Transferee Company as a going concern so as to become the assets and properties of the Second Transferee Company, subject however to the provisions of Clause 21.4 hereinbelow.
- (b) Without prejudice to the provisions of sub-clause (a) of this Clause 21.2.1 in respect of such assets and properties of each of the Transferor Companies forming part of their respective Undertakings, as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall, be so transferred by each Transferor Company to the Second Transferee Company and shall, on such transfer, become the assets and properties of the Second Transferee Company as an integral part of the Undertakings, without requiring any deed or instrument or conveyance for the same.
- (c) In respect of movable properties of each of the Transferor Companies forming part of their respective Undertakings, other than those dealt with in sub-clause (b) of this Clause 21.2.1, any incorporeal property and in respect of current assets, sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, Semi-Government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Second Transferee Company without any notice or other intimation to the debtor or any other person. The Second Transferee Company may, without being obliged to do so, give notice in such form as it may deem fit and proper to each person, debtor or deposittee, authority, body or company, as the case

may be, that, pursuant to the High Court having sanctioned the Scheme the said property, debts, loans, advances, balances, investments and deposits be paid or made good or held on account of the Second Transferee Company as the person entitled thereto.

- (d) All registrations, agreements, licences, reversions, powers, permissions, engagements, arrangements, authorities, allotments, entitlements, assignments, grants, privileges, sanctions, approvals, authorisations, permits, quotas, subsidies, deferrals, incentives, concessions, exemptions, relaxations, rights, claims, liberties, sanctions, consents, contracts and other benefits enjoyed or conferred on or held or availed of by each of the Transferor Companies forming part of their respective Remaining Undertakings and all rights and benefits that have accrued or which may accrue to the respective Transferor Companies, whether before or after the Appointed Date, shall, pursuant to the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Second Transferee Company so as to become the registrations, agreements, rights, claims, privileges, contracts, entitlements, assignments, grants, permits, licences, approvals, authorizations, concessions, consents, engagements, arrangements, reversions, powers, sanctions, authorities, allotments, permissions, quotas, subsidies, special status, incentives, exemptions, relaxations, liberties, tax and other benefits of the Second Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

21.2.2 All assets and properties comprised in the Undertakings of the Transferor Companies as on the start of business on the Appointed Date, whether or not included in the books of the respective Transferor Companies, and all assets and properties, which are acquired by any of the Transferor Companies on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the assets and properties of the Second Transferee Company by virtue of and in the manner provided in this Scheme and shall, pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Second Transferee Company, provided however that no onerous asset shall have been acquired by the Transferor Companies after the date of first filing of this Scheme in the High Court, without the prior written consent of the Board of Directors of the Second Transferee Company.

21.3 Transfer of Liabilities

21.3.1 Without prejudice to the generality of Clause 21.1 above, all debts, loans (including convertible loans, if any), liabilities and obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) of every kind, nature and description of each of the Transferor Companies forming part of their respective Undertakings, whether or not provided in the books of accounts of the Transferor Companies, shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be transferred or be deemed to be transferred to the Second Transferee Company, without any further act, instrument, deed, matter or thing and the same shall be assumed by the Second Transferee Company to the extent they are outstanding on the Effective Date so as to become the liabilities of the Second Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the Second Transferee Company shall meet, discharge and satisfy the same and further 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, loans, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

21.3.2 All debts, loans (including convertible loans, if any), liabilities and obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) raised, utilized, incurred or undertaken by any of the Transferor Companies or which may arise or accrue to the Transferor Companies on and after the Appointed Date and till the Effective Date shall be deemed to have been raised, utilised, incurred or undertaken for and on behalf of the Second Transferee Company and to the extent they are outstanding on the Effective Date, shall, pursuant to the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to and assumed by or be deemed to have been transferred to and assumed by the Second Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and shall become the debts, loans, liabilities and obligations of the Second Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the Second Transferee Company shall meet, discharge and satisfy the same and further 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, loans, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

21.3.3 Where any of the debts, loans (including convertible loans, if any), liabilities and obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) of the respective Transferor Companies have been discharged by the concerned Transferor Companies on and after the Appointed Date and till the Effective Date, such discharge shall be deemed to have been for and on account of the Second Transferee Company. 21.3.4 Debts, loans (including convertible loans, if any), liabilities, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may hereafter become due inter-se any of the Transferor Companies or between any of the Transferor Companies and the Second Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Second Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the start of business on the Appointed Date.

21.3.5 Without prejudice to the foregoing provisions of this Clause:

- (i) All debentures (whether convertible or non-convertible), bonds or other debt securities or instruments, if any (hereinafter referred to as the “**Debt Securities**”), if any, of any of the Transferor Companies shall, if any such Debt Securities are outstanding on the Effective Date, subject to sub-clause (ii) of this Clause 21.3.5, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, without any further act, instrument or deed become the Debt Securities of the Second Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Second Transferee Company to the same extent, as if it were the concerned Transferor Company in respect of the Debt Securities so transferred.
- (ii) Any Debt Securities issued by any of the Transferor Companies and held by any of the other Transferor Companies or the Second Transferee Company shall, unless transferred by such other Transferor Companies and/or the Second Transferee Company to any other person, at any time prior to the Effective Date, stand cancelled as on the Effective Date and be of no effect and appropriate effect shall be given to such cancellation in the books of accounts and records of the Second Transferee Company. The certificates issued by the concerned Transferor Companies in relation to such Debt Securities shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled on the Effective Date.
- (iii) Any debentures, bonds or other debt securities issued by the Second Transferee Company and held by any of the Transferor Companies shall, unless transferred by the concerned Transferor Companies to any other person, at any time prior to the Effective Date, stand cancelled on the Effective Date and be of no effect and appropriate effect shall be given to such cancellation in the books of accounts and records of the Second Transferee Company. The certificates issued by the Second Transferee Company in relation to such debentures, bonds or other debt securities shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled as on the Effective Date.

21.4 Encumbrances:

21.4.1 The transfer and vesting of the assets and properties of the Transferor Companies under Clauses 21.1 and 21.2 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

- 21.4.2 (a) The securities, charges, encumbrances or liens, if any (hereinafter referred to as the “**Encumbrances**”) existing, on the Effective Date, over the assets and properties of the respective Transferor Companies or any part thereof transferred to the Second Transferee Company in terms of this Scheme shall, without any further act or deed, continue to relate or attach to such assets and properties or any part thereof of the Transferor Companies transferred to the Second Transferee Company, but such Encumbrances, if any, shall not relate or attach to any of the assets and properties of the Second Transferee Company or any part thereof or the assets and properties of the other Transferor Companies transferred to the Second Transferee Company or any part thereof.
- (b) Without prejudice to sub-clause (a) of this Clause 21.4.2, it is clarified that any reference in any security documents or arrangements in relation to the Encumbrances to any Transferor Company and its assets and properties, shall be construed as a reference to the Second Transferee Company and the assets and properties of the Second Transferee Company, provided always that such Encumbrances, if any, shall extend only to and over the assets and properties

of the respective Transferor Companies transferred to and vested in the Second Transferee Company and not any of the assets and properties of the Second Transferee Company or the assets and properties of the other Transferor Companies transferred to the Second Transferee Company in terms of this Scheme.

21.4.3 The existing securities, encumbrances or liens over the assets and properties of the Second Transferee Company or any part thereof shall continue to relate or attach to the assets and properties of the Second Transferee Company to which the same relate or attach and nothing contained in this Scheme shall operate to enlarge or extend such securities, charges, encumbrances or liens to any of the assets or properties of any of the Transferor Companies or any part thereof which are transferred to and vested in the Second Transferee Company in terms of this Scheme.

21.4.4 Without prejudice to the foregoing provisions, the Second Transferee Company may execute any supplemental instruments or documents for recording the change of the entity and do all acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the concerned Registrar of Companies to give formal effect to the substitution of the names of the Transferor Companies with the name of the Second Transferee Company, if required.

21.4.5 The provisions of this Clause 21.4 shall operate in accordance with the terms of this Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

21.5 Inter-se Transactions:

Without prejudice to Clauses 21.1 to 21.4, with effect from the start of business on the Appointed Date, all inter-party transactions inter-se any of the Transferor Companies and between any of the Transferor Companies and the Second Transferee Company shall be considered as intra-party transactions for all purposes and the same shall stand cancelled without any further act, instrument or deed.

22. Contracts, Deeds, etc.

22.1 On the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of any of the Transferor Companies or powers or authorities granted by or to any of the Transferor Companies) of whatsoever nature to which any of the Transferor Companies is a party or to the benefit of which any of the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against the Second Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Second Transferee Company had been a party or obligee thereunder,

22.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertakings occurs by virtue of this Scheme itself, the Second Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, take such actions or enter into, or issue or execute deeds, writings, confirmations, novations, declarations or other documents with, or in favour of, any party to any contract or arrangement to which any of the Transferor Companies are a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The Second Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the concerned Transferor Companies and to carry out or perform all such formalities or compliances required for the purposes referred to above.

22.3 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, sanctions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Second Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company, shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall obtain relevant approvals from the concerned Governmental Authority, as may be necessary in this behalf.

23. Legal Proceedings

On and from the Appointed Date, all suits, actions and legal proceedings, if any, instituted and/or pending and/or arising by or against any of the Transferor Companies shall be continued and/or enforced until the Effective Date as desired by the Second Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against

the Second Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or were pending and/ or arising by or against the Second Transferee Company.

24. Conduct of Business

24.1 With effect from the start of business on the Appointed Date till the Effective Date:

- (a) The Transferor Companies shall carry on and shall be deemed to have carried on all their business and activities relating to their respective Undertakings as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of their respective Undertakings on account of, and for the benefit of, and in trust for, the Second Transferee Company.
- (b) All the profits or incomes accruing or arising to the Transferor Companies, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) in relation to their respective Undertakings shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Second Transferee Company.
- (c) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Undertakings and exercised by or available to the respective Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Second Transferee Company, Similarly, any of the obligations, duties and commitments attached, relating or pertaining to the Undertakings that have been undertaken or discharged by the respective Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Second Transferee Company.
- (d) All taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Companies in respect of their respective operations and/or the profits of the Undertakings upto the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, excise duty, custom duty, service tax, VAT, 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 their Undertakings on and after the start of business on the Appointed Date, the same shall be deemed to be the corresponding item paid by the Second Transferee Company and shall, in all proceedings, be dealt with accordingly.

24.2 With effect from the date of first filing of this Scheme with the High Court and till the Effective Date:

- (a) The Transferor Companies shall preserve and carry on their business and activities with reasonable diligence and business prudence in the same manner as hithertofore carried on.
- (b) The Transferor Companies shall not make any change in their respective capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner except with the consent of the Board of Directors of the Second Transferee Company.

24.3 The Second Transferee Company may utilize any reserve including Business Restructuring Reserve Account arising under the Scheme to set-off or recoup any expenditure arising out of business restructuring, debit. balance in the profit and loss account, if any, and for any general corporate purpose as the Board of Directors of the Second Transferee Company may decide but any capital reserve including Business Restructuring Reserve Account shall not be utilized for payment of dividend.

25. Saving of Concluded Transactions

Subject to the terms of this Scheme, the transfer and vesting of the Undertakings of the Transferor Companies under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Second Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Second Transferee Company.

26. Dissolution of Group 'B' Amalgamating Companies:

On the Effective Date, the Group 'B' Amalgamating Companies shall stand dissolved, without winding-up.

27. Increase in Borrowing Limit

The authorized borrowing limit of the Second Transferee Company in terms of Section 293(1)(d) of the Act shall, without any further act or deed and without any requirement for further approval, stand increased and be deemed to be increased by an amount equivalent to the amount of the liabilities comprised in the Undertakings transferred to the Second Transferee Company.

28. Validity of Existing Resolutions, etc.

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

29. RRL Employees Restricted Stock Unit Plan:

- (a) RRL has framed an employee stock plan known as the “Reliance Retail Employees Restricted Stock Unit Plan 2007” (“**RR RSU 2007**”) for Eligible Employees. The RR RSU 2007 shall be binding on the Second Transferee Company on the same terms and conditions except that, pursuant to the Share Exchange Ratio under Clause 32.3 of the Scheme, upon Vesting, the Employees shall have the right to acquire 3 (three) equity shares of the Second Transferee Company of the face value of Rs. 10/- each for every 5 (five) RSUs and the RR RSU 2007 shall be deemed to be modified to such extent. All capitalized terms used in this Clause, shall unless defined elsewhere in this Scheme, have the meanings assigned thereto under the RR RSU 2007.
- (b) All references to RRL in the RR RSU 2007 shall be construed as references to the Second Transferee Company and the Board of Directors of the Second Transferee Company shall appoint a Compensation Committee and entrust it with the authority to administer the RR RSU 2007 and shall take all necessary corporate action to adopt the RR RSU 2007 and to give effect to the same.
- (c) From the date of first filing of the Scheme with the High Court till the Effective Date, the right of an Optionee (holding outstanding RSUs) to Exercise his/her RSU(s) will stand suspended and RRL will not, till the Effective Date, allot any equity shares pursuant to any Exercise of the vested RSUs.

PART V

EMPLOYEES

30. Employees of Group ‘A’ Amalgamating Companies.

- 30.1 On the Effective Date, all the permanent employees of the Group ‘A’ Amalgamating Companies, who are in employment of the Group ‘A’ Amalgamating Companies (after the demerger of the Demerged Undertakings under Part II of the Scheme) in relation to their respective Remaining Undertakings, shall become employees of the First Transferee Company without any break or interruption in service and on the same terms and conditions as to employment and remuneration on which they are engaged or employed by the Group ‘A’ Amalgamating Companies. It is clarified that the employees of the Group ‘A’ Amalgamating Companies who become employees of the First Transferee Company by virtue of this Scheme shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the First Transferee Company, unless otherwise determined by the Board of Directors of the First Transferee Company. The First Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Group ‘A’ Amalgamating Companies with any union/ employee. After the Effective Date, the First Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the said employees on the same basis as it may do for the employees of the First Transferee Company.
- 30.2 With effect from the first date of filing of this Scheme with the High Court and till the Effective Date, the Group ‘A’ Amalgamating Companies shall not vary or modify the terms and conditions of employment of any of its said employees, except with the written consent of the First Transferee Company.
- 30.3 The provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits, if any, created by the Group ‘A’ Amalgamating Companies or any other special funds created for the benefit of the said employees of the Group ‘A’ Amalgamating Companies and which are existing as on the Effective Date (collectively

referred to as the “Funds”) and the investments made out of such Funds shall, at an appropriate stage, be transferred to the First Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the First Transferee Company, either be continued as separate funds of the First Transferee Company for the benefit of the employees of the Group ‘A’ Amalgamating Companies or be transferred to and merged with other similar funds of the First Transferee Company. In the event that the First Transferee Company does not have its own funds with respect to any such Funds, the First Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute thereto until such time as the First Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Group ‘A’ Amalgamating Companies shall be transferred to such funds of the First Transferee Company.

31. Employees forming part of the Demerged Undertakings and Employees of the Group ‘B’ Amalgamating Companies

- 31.1 On the Effective Date, all permanent employees of the Demerged Companies, who are in employment of the Demerged Companies in relation to their respective Demerged Undertakings, and all permanent employees of the Group ‘B’ Amalgamating Companies, who are in employment of the Group ‘B’ Amalgamating Companies in relation to their respective Undertakings, shall become the employees of the Second Transferee Company without any break or interruption in service and on the same terms and conditions as to employment and remuneration on which they are engaged or employed by the respective Demerged Companies, or as the case may be, the Group ‘B’ Amalgamating Companies. It is clarified that the employees of the Demerged Companies, or as the case may be, the Group ‘B’ Amalgamating Companies, who become employees of the Second Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Second Transferee Company, unless otherwise determined by the Board of Directors of the Second Transferee Company. The Second Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Demerged Companies, or as the case may be, the Group ‘B’ Amalgamating Companies with any union/employee. After the Effective Date, the Second Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the said employees on the same basis as it may do for the employees of the Second Transferee Company.
- 31.2 With effect from the first date of filing of this Scheme with the High Court and till the Effective Date, the Demerged Companies, or as the case may be, the Group ‘B’ Amalgamating Companies shall not vary or modify the terms and conditions of employment of any of its said employees being transferred to the Second Transferee Company, except with the written consent of the Second Transferee Company.
- 31.3 (a) RRL, one of the Group ‘B’ Amalgamating Companies, which is the holding company of the Second Transferee Company, has created and operates the following employee benefit funds, which are duly approved by the appropriate Governmental Authority:
- (i) Reliance Retail Limited Employees’ Provident Fund (“**RRL PF**”);
 - (ii) Reliance Retail Limited Employees Gratuity Fund Trust (“**RRL GF**”);
 - (iii) Reliance Retail Limited Employees Superannuation Scheme (“**RRL SS**”)
- (hereinafter collectively referred to as the “**RRL Funds**”).
- (b) On the Effective Date, the RRL Funds (together with all accumulated balances therein) shall be transferred to the Second Transferee Company, which shall hold the same for the benefit of all employees of RRL transferred to the Second Transferee Company and subject to the necessary approvals and permissions, the Second Transferee Company shall continue the same and make all applicable contributions in relation to the said employees of RRL to the RRL Funds on the same terms and conditions as made by RRL.
- (c) In relation to the employees forming part of the Demerged Undertakings and the employees of the Group ‘B’ Amalgamating Companies (other than RRL) in relation to whom each of the said Companies is presently making contributions to the Government operated provident fund, or other employee benefit funds (“**Government Funds**”), such employees shall, subject to necessary approvals and permissions, become members of the RRL Funds as transferred to the Second Transferee Company from RRL. The accumulated amount to the credit of such employees lying with the Government Funds shall, on the Effective Date, be transferred to the credit of their respective accounts with the RRL Funds as transferred to the Second Transferee Company and with effect

from the Effective Date, the Second Transferee Company shall make all applicable contributions in relation to the said employees forming part of the Demerged Undertakings and the employees of the Group 'B' Amalgamating Companies (other than RRL) to the RRL Funds. The terms and conditions of the RRL Funds as presently operated by RRL shall apply to the employees forming part of the Demerged Undertakings and the employees of the Group 'B' Amalgamating Companies (other than RRL).

- (d) In relation to the employees of the Second Transferee Company in relation to whom the Second Transferee Company is presently making contributions to the Government operated provident fund, or other employee benefit funds ("**RFL Government Funds**"), such employees shall, subject to necessary approvals and permissions, become members of the RRL Funds as transferred to the Second Transferee Company from RRL. The accumulated amount to the credit of such employees lying with the RFL Government Funds shall, on the Effective Date, be transferred to the credit of their respective accounts with the RRL Funds as transferred to the Second Transferee Company and with effect from the Effective Date, the Second Transferee Company shall make all applicable contributions in relation to the said employees of the Second Transferee Company to the RRL Funds. The terms and conditions of the RRL Funds as presently operated by RRL shall apply to the employees of the Second Transferee Company.
- (e) The Demerged Companies, the Group 'B' Amalgamating Companies and the Second Transferee Company shall take all necessary corporate actions and shall do, execute and perform all acts, deeds, matters and things including filing of necessary applications for transfer to the Second Transferee Company of the accumulated balances in the Government Funds and the RFL Government Funds and to merge the same with the RRL Funds and Second Transferee Company shall take all necessary corporate actions and shall do, execute and perform all acts, deeds, matters and things including obtaining all approvals and permissions for continuation of the RRL Funds as its funds for the benefits of its employees as also employees transferred to the Second Transferee Company pursuant to this Scheme.

PART VI

RE-ORGANISATION OF SHARE CAPITAL

32. Re-organisation of Share Capital of RFL

32.1 No Issue of Shares to shareholders of Demerged Companies

All the Demerged Companies are wholly owned subsidiaries of the Resulting Company and the entire issued, subscribed and paid-up share capital of each of the Demerged Companies is held by the Resulting Company by itself and through its nominees. Accordingly, on the Effective Date, no shares of the Resulting Company shall be issued or allotted to shareholders of the Demerged Companies.

32.2 No Issue of Shares to shareholders of Group 'B' Amalgamating Companies except RRL

- (a) The Group 'B' Amalgamating Companies (except Reliance Retail Limited i.e. RRL) are wholly owned subsidiaries of the Second Transferee Company and the entire issued, subscribed and paid-up share capital of each of the Group "B" Amalgamating Companies (except RRL) is held by the Second Transferee Company by itself and through its nominees. On the Effective Date, no shares of the Second Transferee Company shall be issued to the shareholders of the Group "B" Amalgamating Companies (except RRL) and the entire issued, subscribed and paid-up share capital of all the Group 'B' Amalgamating Companies (except RRL) shall, *ipso facto*, without any further application, act, deed or instrument stand extinguished and cancelled.
- (b) The share certificates issued by the Group "B" Amalgamating Companies (except RRL) in relation to their respective equity shares shall, without any further application, act, deed or instrument be deemed to be and stand automatically cancelled. With respect to the equity shares held in dematerialized form, which are cancelled pursuant to this Clause, the Second Transferee Company shall do, execute and take all necessary action and make all filings to give effect to the cancellation.

32.3 Issue of Shares to shareholders of RRL

- (a) In consideration of the transfer and vesting of the Undertaking of RRL in the Second Transferee Company in terms of this Scheme, the Second Transferee Company shall, without any further application, act, instrument or deed, issue and allot (i) 3,441,541,650 Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each fully

paid-up of the Second Transferee Company having an aggregate face value of Rs. 3441,54,16,500/- (Rupees Three Thousand Four Hundred Forty One Crores Fifty Four Lakhs Sixteen Thousand Five Hundred only) to the equity shareholders of RRL who hold fully paid-up Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each in the ratio of 3 (three) new fully paid-up Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each of the Second Transferee Company for every 5 (five) fully paid-up Equity Shares of Rs. 10/- (Rupees Ten only) each of RRL held on the Record Date by the Equity Shareholders of RRL or to his/her/its/their respective heirs, executors, administrators or, as the case may be, successors; and (ii) 154,80,00,000 Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each fully paid-up of the Second Transferee Company having an aggregate face value of Rs. 1548,00,00,000/- (Rupees One Thousand Five Hundred Forty Eight Crores only) to the preference shareholders of RRL who hold fully paid-up Preference Shares of the face value of Rs. 10/- (Rupees Ten only) each, in the ratio of 3 (three) new fully paid-up Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each of the Second Transferee Company for every 5 (five) fully paid-up Preference Shares of Rs. 10/- (Rupees Ten only) each of RRL held on the Record Date by the Preference Shareholders of RRL or to his/her/its/their respective heirs, executors, administrators or, as the case may be, successors. For this purpose, the fractional entitlement, if any, will be rounded up/down to the nearest integer number of shares. The new Equity Shares to be issued by RFL under this Clause 32.3(a) are in this Scheme referred to as the **“New RFL Equity Shares”** and the allotment of New RFL Equity Shares shall be deemed to have been made on the Effective Date.

- (b) In this Scheme, the term **“Record Date”** shall mean the date after the Effective Date to be fixed by the Board of Directors of the Second Transferee Company for the purpose of issue and allotment of the New RFL Equity Shares under sub-clause (a) of this Clause 32.3; and the term **“Share Exchange Ratio”** shall mean the proportion in which the New RFL Equity Shares will be issued and allotted by the Second Transferee Company to equity shareholders or, as the case may be, preference shareholders of RRL under sub-clause (a) of this Clause 32.3.
- (c) As an integral part of the Scheme, the issued, subscribed and paid-up share capital of the Second Transferee Company shall stand suitably increased consequent on the issue of the New RFL Equity Shares. It is clarified that no Special Resolution under Section 81(1A) of the Act shall be required to be passed by the Second Transferee Company in a general meeting for issue of the New RFL Equity Shares under this Scheme and on the members of the Second Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of New RFL Equity Shares of the Second Transferee Company as provided in this Scheme.
- (d) All New RFL Equity Shares to be issued under sub-clause (a) of this Clause 32.3 by the Second Transferee Company shall be issued in physical form or dematerialized form as under:
 - (i) In case of the shareholders of RRL holding shares in physical form the New RFL Equity Shares shall be issued to such persons in physical form only.
 - (ii) The shareholders of RRL holding shares in dematerialized form shall have the option, exercisable by notice in writing by them addressed to the Second Transferee Company, on or before the date specified by the Second Transferee Company, to receive the New RFL Equity Shares either in physical form or in dematerialized form. In the event such notice is not received by the Second Transferee Company, the New RFL Equity Shares shall be issued to such persons in dematerialized form. In the event that the Second Transferee Company has received notice from any of the shareholders that the New RFL Equity Shares are to be issued in physical form or if the details furnished by any member do not permit electronic credit of such New RFL Equity Shares, then the Second Transferee Company shall issue the New RFL Equity Shares in physical form to such shareholders.
- (e) The New RFL Equity Shares issued and allotted in terms of this Scheme shall rank pari passu in all respects with the existing equity shares of the Second Transferee Company including in respect of dividends, if any, that may be declared by the Second Transferee Company on or after the Effective Date.
- (f) In the event of there being any pending share transfers, whether lodged or outstanding, of any person with RRL or the Second Transferee Company, the Board of Directors of RRL or, as the case may be, the Second Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of the shares after the Effective Date.

- (g) The New RFL Equity Shares issued and allotted by the Second Transferee Company in terms of this Scheme shall be subject to the provisions of the Act and the terms applicable thereto under the Memorandum and Articles of Association of the Second Transferee Company.
- (h) For the purpose of issue of New RFL Equity Shares under this Scheme, the Second Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals from the concerned Governmental Authority.
- (i) On the Effective Date, the paid-up equity share capital of RRL shall stand cancelled and the share certificates issued by RRL in relation to its equity shares shall, without any further application, act, deed or instrument be deemed to be and stand automatically cancelled. With respect to the equity shares held in dematerialized form, which are cancelled pursuant to this Clause, the Second Transferee Company shall do, execute and take all necessary action and make all filings to give effect to the cancellation.

32.4 Reduction in Share Capital of Second Transferee Company

- (a) Consequent to the allotment of New RFL Equity Shares under Clause 32.3 of the Scheme, the issued, subscribed and paid-up share capital of the Second Transferee Company will be Rs. 4990,59,16,500/- (Rupees Four Thousand Nine Hundred Ninety Crores Fifty-nine Lakhs Sixteen Thousand Five Hundred only) divided into 499,05,91,650 Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each.
- (b) Immediately after the allotment of New RFL Equity Shares takes effect, 10,50,000 equity shares of the face value of Rs. 10/- each held by RRL and its nominees in the Second Transferee Company shall, *ipso facto*, without any further application, act, deed or instrument stand extinguished and cancelled consequent on the amalgamation of RRL, with the Second Transferee Company and the issued, subscribed and paid-up share capital of the Second Transferee Company shall, as an integral part of this Scheme, be reduced from Rs. 4990,59,16,500/- (Rupees Four Thousand Nine Hundred Ninety Crores Fifty-nine Lakhs Sixteen Thousand Five Hundred only) divided into 499,05,91,650 Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each to Rs. 4989,54,16,500/- (Rupees Four Thousand Nine Hundred Eighty Nine Crores Fifty Four Lakhs Sixteen Thousand Five Hundred only) divided into 498,95,41,650 Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each. The authorised share capital of the Second Transferee Company shall not be reduced.
- (bi) The reduction in the issued, subscribed and paid-up share capital of the Second Transferee Company as provided in this Clause shall be effected as an integral part of this Scheme and in accordance with the provisions of Section 100 to Section 103 of the Act and the Order of the High Court sanctioning the Scheme shall also be deemed to be an Order under Section 102 of the Act confirming the reduction in the share capital of the Second Transferee Company. The reduction in the issued, subscribed and paid-up share capital of the Second Transferee Company shall, consequent to cancellation of paid-up Equity Share capital of the Second Transferee Company, not result in the diminution of liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital and the provisions of Section 101(2) of the Act shall not apply. The reduction in the issued, subscribed and paid-up share capital of the Second Transferee Company shall not require the Second Transferee Company to add the words “and reduced” as a suffix to its name.
- (c) The Share Certificates issued by the Second Transferee Company with respect to the Equity Shares which are to be cancelled pursuant to this Clause shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled. With respect to the equity shares held in dematerialized form, which are cancelled pursuant to this Clause, the Second Transferee Company shall do, execute and take all necessary action and make all filings to give effect to the cancellation.

32.5 Increase in Authorised Share Capital of Second Transferee Company:

- (a) On the Effective Date, and as an integral part of this Scheme, the Authorised Share Capital of the Second Transferee Company shall, without any further application, act, instrument or deed, be and stand increased from Rs. 1,05,00,000/- (Rupees One Crore Five Lakhs only) divided into 10,50,000 Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 15000,00,00,000/- (Rupees Fifteen Thousand Crores only) divided into 1500,00,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each and consequent to the increase in the Authorised Share Capital of the Second Transferee Company, Clause V of the Memorandum of Association of the Second Transferee Company shall, without any further application, act, instrument or deed, be and stand substituted as under:

“V. The Authorised Share Capital of the Company is Rs.15000,00,00,000/- (Rupees Fifteen Thousand Crores only) divided into 1500,00,00,000 (One Thousand Five Hundred Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each with the power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

- (b) The increase in the Authorised Share Capital of the Second Transferee Company is within the combined Authorised Share Capitals of the Second Transferee Company and all the Group ‘B’ Amalgamating Companies and the filing or registration fee and stamp duty already paid by the Group ‘B’ Amalgamating Companies on their respective Authorised Share Capitals shall be deemed to have been paid by the Second Transferee Company and accordingly, the Second Transferee Company shall not be required to pay any additional or further filing or registration fee or stamp duty on its Authorised Share Capital so increased.
- (c) The increase in the Authorised Share Capital of the Second Transferee Company as aforesaid shall be deemed to be made in terms of Section 16 read with Section 94 of the Act and no separate Resolution under Section 16 read with Section 94 of the Act shall be required to be passed by the Second Transferee Company in General Meeting for increase of its Authorised Share Capital. On the shareholders of the Second Transferee Company approving this Scheme, it shall be deemed that they, have approved the increase in the Authorised Share Capital as aforesaid under Section 16 read with Section 94 of the Act. The Second Transferee Company shall make the required filings with the Registrar of Companies, Maharashtra with respect to the increase in its Authorised Share Capital.

33. Re-organisation of Share Capital of RTL.

33.1 No Issue of Shares to shareholders of Group ‘A’ Amalgamating Companies

- (a) The Group ‘A’ Amalgamating Companies are wholly owned subsidiaries of the Second Transferee Company (i.e. RFL). The First Transferee Company is also the wholly owned subsidiary of RFL. Accordingly, on the Effective Date, no shares of the First Transferee Company shall be issued to RFL and the entire issued, subscribed and paid-up share capital of all the Group ‘A’ Amalgamating Companies shall, *ipso facto*, without any further application, act, deed or instrument stand extinguished and cancelled on the Effective Date.
- (b) The share certificates issued by the Group ‘A’ Amalgamating Companies in relation to their respective equity shares shall, without any further application, act, deed or instrument be deemed to be and stand automatically cancelled. With respect to the equity shares held in dematerialized form, which are cancelled pursuant to this Clause, the First Transferee Company shall do, execute and take all necessary action and make all filings to give effect to the cancellation.

33.2 Increase in Authorised Share Capital of First Transferee Company:

- (a) On the Effective Date, and as an integral part of this Scheme, the Authorised Share Capital of the First Transferee Company shall, without any further application, act, instrument or deed, be and stand increased from Rs. 1,05,00,000/- (Rupees One Crore Five Lakhs only) divided into 10,50,000 Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 5,21,00,000/- (Rupees Five Crores Twenty One Lakhs only) divided into 52,10,000 Equity Shares of Rs. 10/- (Rupees Ten only) each and consequent to the increase in the Authorised Share Capital of the First Transferee Company, Clause V of the Memorandum of Association of the First Transferee Company shall, without any further application, act, instrument or deed, be and stand substituted as under:

“V. The Authorised Share Capital of the Company is Rs. 5,21,00,000/- (Rupees Five Crores Twenty One Lakhs only) divided into 52,10,000 (Fifty Two Lakhs Ten Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each with the power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

- (b) The increase in the Authorised Share Capital of the First Transferee Company is within the combined Authorised Share Capitals of the First Transferee Company and all the Group ‘A’ Amalgamating Companies and the filing or registration fee and stamp duty already paid by the Group ‘A’ Amalgamating Companies on their respective

Authorised Share Capitals shall be deemed to have been paid by the First Transferee Company and accordingly, the First Transferee Company shall not be required to pay any additional or further filing or registration fee or stamp duty on its Authorised Share Capital so increased.

- (c) The increase in the Authorised Share Capital of the First Transferee Company as aforesaid shall be deemed to be made in terms of Section 16 read with Section 94 of the Act and no separate Resolution under Section 16 read with Section 94 of the Act shall be required to be passed by the First Transferee Company in General Meeting for increase of its Authorised Share Capital. On the shareholders of the First Transferee Company approving this Scheme, it shall be deemed that they have approved the increase in the Authorised Share Capital as aforesaid under Section 16 read with Section 94 of the Act. The First Transferee Company shall make the required filings with the Registrar of Companies, Maharashtra with respect to the increase in its Authorised Share Capital.

PART VII

ACCOUNTING TREATMENT

34. Accounting for the Demerger

34.1 In the books of the respective Demerged Companies:

On the Effective Date, the assets and liabilities of the Demerged Undertakings of the respective Demerged Companies Transferred to the Resulting Company shall be recorded at the same values appearing in the books of accounts of the Demerged Companies as at the close of business on the day immediately preceding the Appointed Date and the difference between the book value of the assets and liabilities so transferred to the Resulting Company shall be adjusted against reserves (whether capital or revenue including balance in profit and loss account) of the concerned Demerged Company.

34.2 In the books of the Resulting Company:

- (a) On the Effective Date, the assets and liabilities pertaining to the Demerged Undertaking of the respective Demerged Companies transferred to the Resulting Company shall be recorded at the same values appearing in the books of Demerged Company as at the close of business on the day immediately preceding the Appointed Date. The excess or deficit, if any, remaining after recording the aforesaid entries shall be adjusted by the Resulting Company against reserves (whether capital or revenue including balance in profit and loss account).
- (b) Suitable adjustments including to ensure uniform accounting policies between the Demerged Companies and the Resulting Company may be made as considered appropriate by the Board of Directors of the Resulting Company and effect thereof shall be given in the reserves (whether capital or revenue including balance in profit and loss account) of the Resulting Company.

35. Accounting for the Amalgamation

35.1 In the books of RTL (First Transferee Company):

- (a) The assets and liabilities of the Group 'A' Amalgamating Companies after giving effect to the provisions of Part II of the Scheme shall be recorded by RTL in its books of accounts as at the start of business on the Appointed Date. The excess or deficit, if any, remaining after recording the aforesaid entries shall be recognized as capital reserve or goodwill as the case may be.
- (b) Suitable adjustments including ensuring uniform accounting methods and policies between the Group 'A' Amalgamating Companies and RTL, may be made as considered appropriate by the Board of Directors of the First Transferee Company and effect thereof shall be given in the reserves (whether capital or revenue including balance in profit and loss account) of RTL.

35.2 In the books of RFL (Second Transferee Company):

35.2.1 On amalgamation of the Group 'A' Amalgamating Companies with RTL:

On the Effective Date, the investments held by RFL in the Group 'A' Amalgamating Companies will stand cancelled and there shall be no further obligation outstanding in that behalf RFL shall write off its investments in the share capital of the Group 'A' Amalgamating Companies by debiting its profit and loss account.

35.2.2 On amalgamation of the Group 'B' Amalgamating Companies:

- (a) On the Effective Date, the assets, liabilities and reserves (whether capital or revenue including debit balance in profit and loss account) of the Group 'B' Amalgamating Companies (other than RRL) shall be recorded by RFL in its books of accounts at the book values and in the same form as appearing in the books of the Group 'B' Amalgamating Companies (other than RRL) as at the close of business on the day immediately preceding the Appointed Date. The excess or deficit, if any, remaining after recording the aforesaid entries shall be adjusted in reserves (whether capital or revenue including balance in profit and loss account).
- (b) The investments held by RFL in the Group 'B' Amalgamating Companies (other than RRL) will stand cancelled and there shall be no further obligation outstanding in that behalf. RFL shall write off its investment in the share capital of the Group 'B' Amalgamating Companies (other than RRL) by debiting its profit and loss account.
- (c) On the Effective Date, the assets (excluding the investments held by RRL in RFL, which shall stand cancelled on the Effective Date of Part IV), liabilities and reserves (capital or revenue including debit balance in profit and loss account) of RRL shall be recorded by RFL in its books of accounts at the book values and in the same form as appearing in the books of RRL as at the close of business on the day immediately preceding the Appointed Date. The difference between the amount recorded as share capital issued by RFL and the share capital of RRL will be credited to Business Restructuring Reserve Account in the books of RFL which shall be a capital reserve arising out of this Scheme.
- (d) Amounts debited to the profit and loss account of RFL in connection with giving effect to this Scheme including, but not restricted to, any costs, charges, stamp duty and cancellation of shares referred to hereinabove may be adjusted by a corresponding transfer from the reserves.
- (e) Suitable adjustments including ensuring uniform accounting methods and policies between the Group 'A' Amalgamating Companies and RFL may be made as considered appropriate by the Board of Directors of RFL and effect thereof shall be given in the reserves (whether capital or revenue including balance in profit and loss account) of RFL.

PART VIII

GENERAL TERMS AND CONDITIONS

36. Approvals

RTL and RFL shall be entitled, pending the sanction of the Scheme, to apply to the Central Government or any State Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the said Companies, or either of them, may require to own and operate the Undertakings to be transferred to them under this Scheme.

37. Modification of Scheme

- (a) Each of the Companies by their respective Boards of Directors or any committee thereof or any Director authorised in that behalf (hereinafter referred to as the "**Delegate**") may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the High Court or any authorities under law may deem fit to approve of or impose and which the Companies may in their discretion accept or such modifications or amendments or additions as the Companies or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise for carrying out this Scheme and as approved by the High Court, and the Companies by their respective Boards of Directors or Delegate are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions may be imposed by the High Court or any authorities, which the Companies find unacceptable for any reason, then the Companies shall be at liberty to withdraw the Scheme. The aforesaid powers of the Companies may be exercised by the Delegate of the respective Companies.
- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of the Companies may give and are authorised to determine and give all

such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

38. Filing of Applications

Each of the Companies shall with all reasonable despatch, make and file all applications/petitions under Sections 391 and 394 and other applicable provisions of the Act before the High Court for sanction of this Scheme and each of the Companies shall obtain all approvals as may be required under law.

39. Scheme Conditional Upon

- (a) This Scheme is conditional upon and subject to:
 - (i) The Scheme being agreed to by the requisite majority of the members and/or creditors of the Companies and/or by such other persons as may be required under the Act and the requisite directions being issued by the High Court;
 - (ii) The requisite sanctions and approvals including sanctions of any Governmental Authority, lessor, or contracting party as may be required by law or contract in respect of the Scheme being obtained; and
 - (iii) The certified copies of the Order(s) of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra.
- (b) In the event of this Scheme failing to take effect finally by 31st March 2014, or by such later date as may be agreed by the respective Boards of Directors of the Companies, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred, inter-se, by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs, charges and expenses incurred in relation or in connection with this Scheme or as may be mutually agreed.

40. Costs, Charges and Expenses

- (a) All costs, charges (including stamp duty, if any) and expenses of and incidental to the demerger under Part II of this Scheme and the amalgamation under Part IV of this Scheme shall be borne and paid by the Second Transferee Company.
- (b) All costs, charges (including stamp duty, if any) and expenses of and incidental to the amalgamation under Part III of this Scheme shall be borne and paid by the First Transferee Company.

SCHEDULE I

Part A

Assets as on 31st March 2012, of Demerged Undertaking of Reliancedigital Retail Limited

Assets		Amount (Rupees in Lakh)
1	Net fixed assets	1 68 25.70
2	Capital work-in-progress	40 86.98
3	Non-current investments	0.98
4	Deferred tax assets	50 57.85
5	Long-term loans and advances	61 47.33
6	Inventories	3 12 37.88
7	Trade receivables	33 15.47
8	Cash and cash equivalents	5 46.86
9	Short-term loans and advances	50 34.79
10	Other current assets	0.36

Part B

Liabilities as on 31st March 2012, of Demerged Undertaking of Reliancedigital Retail Limited

Liabilities		Amount (Rupees in Lakh)
1	Long-term borrowings	6 15 22.98
2	Long-term provisions	186.06
3	Trade payables	1 65 93.89
4	Other current liabilities	44 30.37
5	Short-term provisions	3.44

SCHEDULE II

Part A

Assets as on 31st March 2012, of Demerged Undertaking of Reliance Footprint Limited

Assets		Amount (Rupees in Lakh)
1	Net fixed assets	72 86.13
2	Capital work-in-progress	10 82.60
3	Non-current investments	0.75
4	Deferred tax assets	6 86.02
5	Long-term loans and advances	19 22.88
6	Inventories	88 29.33
7	Trade receivables	1 07.88
8	Cash and cash equivalents	98.92
9	Short-term loans and advances	2 51.38
10	Other current assets	0.28

Part BLiabilities as on 31st March 2012, of Demerged Undertaking of Reliance Footprint Limited

Liabilities		Amount (Rupees in Lakh)
1	Long-term borrowings	1 42 12.07
2	Long-term provisions	56.02
3	Trade payables	64 91.56
4	Other current liabilities	10 31.86
5	Short-term provisions	1.02

SCHEDULE III**Part A**Assets as on 31st March 2012, of Demerged Undertaking of Reliance Gems and Jewels Limited

Assets		Amount (Rupees in Lakh)
1	Net fixed assets	32 70.86
2	Capital work-in-progress	5 22.64
3	Non-current investments	0.75
4	Deferred tax assets	9 87.41
5	Long-term loans and advances	7 98.11
6	Inventories	5 99 35.47
7	Trade receivables	173.54
8	Cash and cash equivalents	20 62.72
9	Short-term loans and advances	11 44.27
10	Other current assets	0.28

Part BLiabilities as on 31st March 2012, of Demerged Undertaking of Reliance Gems and Jewels Limited

Liabilities		Amount (Rupees in Lakh)
1	Long-term borrowings	3 98 91.31
2	Long-term provisions	56.56
3	Trade payables	3 00 16.60
4	Other current liabilities	5 65.38
5	Short-term provisions	1.04

SCHEDULE IV**Part A**Assets as on 31st March 2012, of Demerged Undertaking of Reliance Leisures Limited

Assets		Amount (Rupees in Lakh)
1	Net fixed assets	53 40.75
2	Capital work-in-progress	8 89.43
3	Non-current investments	0.75
4	Deferred tax assets	10 21.31
5	Long-term loans and advances	12 09.07
6	Inventories	66 26.68
7	Trade receivables	1 56.09
8	Cash and cash equivalents	66.31
9	Short-term loans and advances	5 80.38
10	Other current assets	0.28

Part BLiabilities as on 31st March 2012, of Demerged Undertaking of Reliance Leisuers Limited

Liabilities		Amount (Rupees in Lakh)
1	Long-term borrowings	1 47 50.19
2	Long-term provisions	47.11
3	Trade payables	24 79.65
4	Other current liabilities	6 34.62
5	Short-term provisions	0.88

SCHEDULE V**Part A**Assets as on 31st March 2012, of Demerged Undertaking of Reliance Trends Limited

Assets		Amount (Rupees in Lakh)
1	Net fixed assets	2 70 86.18
2	Capital work-in-progress	46 54.81
3	Non-current investments	0.98
4	Deferred tax assets	12 48.76
5	Long-term loans and advances	65 57.72
6	Inventories	1 68 18.56
7	Trade receivables	2 01.84
8	Cash and cash equivalents	4 44.54
9	Short-term loans and advances	13 30.68
10	Other current assets	0.34

Part BLiabilities as on 31st March 2012, of Demerged Undertaking of Reliance Trends Limited

Liabilities		Amount (Rupees in Lakh)
1	Long-term borrowings	4 88 37.34
2	Long-term provisions	2 03.94
3	Trade payables	92 76.67
4	Other current liabilities	27 35.97
5	Short-term provisions	3.84

**HIGH COURT, BOMBAY
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 543 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 420 OF 2014**

Achman Commercial Private Limited ...Petitioner Company
(First Transferor Company)

AND

COMPANY SCHEME PETITION NO. 545 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 421 OF 2014

Delight Proteins Limited ...Petitioner Company
(Second Transferor Company)

AND

COMPANY SCHEME PETITION NO. 544 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 422 OF 2014

Agri Ventures Private Limited ...Petitioner Company
(Third Transferor Company)

AND

COMPANY SCHEME PETITION NO. 547 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 423 OF 2014

Reliance Dairy Foods Limited ...Petitioner Company
(Fourth Transferor Company)

AND

COMPANY SCHEME PETITION NO. 546 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 424 OF 2014

Reliance F & B Services Limited ...Petitioner Company
(Fifth Transferor Company)

AND

COMPANY SCHEME PETITION NO. 550 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 425 OF 2014

Reliance Financial Distribution and Advisory Services Limited ...Petitioner Company
(Sixth Transferor Company)

AND

COMPANY SCHEME PETITION NO. 549 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 426 OF 2014

Reliance Food Processing Solutions Limited ...Petitioner Company
(Seventh Transferor Company)

AND
COMPANY SCHEME PETITION NO. 548 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 427 OF 2014

Reliance Nutritious Food Products Limited

...Petitioner Company
(Eighth Transferor Company)

AND
COMPANY SCHEME PETITION NO. 551 OF 2014
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 428 OF 2014

Reliance Review Cinema Limited

...Petitioner Company
(Ninth Transferor Company)

In the matter of the Companies Act, 1956 and the Companies Act, 2013, as applicable;

- And -

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

- And -

In the matter of the Scheme of Amalgamation of

(1) Achman Commercial Private Limited

- And -

(2) Delight Proteins Limited

- And -

(3) Reliance Agri Ventures Private Limited

- And -

(4) Reliance Dairy Foods Limited

- And -

(5) Reliance F & B Services Limited

- And -

(6) Reliance Financial Distribution and Advisory Services Limited

- And -

(7) Reliance Food Processing Solutions Limited

- And -

(8) Reliance Nutritious Food Products Limited

- And -

(9) Reliance Review Cinema Limited

- WITH -

(10) Reliance Retail Limited

CALLED FOR HEARING

Advocate Mr. Arif Doctor i/b M/s. Junnarkar & Associates, Advocates for the Petitioner Companies in all the Petitions.

Mr. S. Ramakantha Official Liquidator, for Official Liquidator, in all the Petitions.

Mr. C.J. Joy with Ms. Madhavi Tavanandi i/b Mr. H.P. Chaturvedi for Regional Director in all the Petitions.

CORAM : S.J. Kathawalla, J.

DATE : 28th November, 2014

P. C.:

1. Heard learned Counsel for parties. No objector has come before the Court to oppose the Scheme and nor has any party controverted any averments made in the Petitions.
2. The sanction of this Court is sought under Sections 391 to 394 of the Companies Act, 1956 to a Scheme of Amalgamation of Achman Commercial Private Limited and Delight Proteins Limited and Reliance Agri Ventures Private Limited and Reliance Dairy Foods Limited and Reliance F & B Services Limited, Reliance Financial Distribution and Advisory Services Limited and Reliance Food Processing Solutions Limited and Reliance Nutritious Food Products Limited and Reliance Review Cinema Limited with Reliance Retail Limited.
3. The learned Counsel for the Petitioner Companies states that the First Transferor Company is engaged in the business of dealing in food and non-food items and support services, the Second Transferor Company is engaged in the business of trading in food products, the Third Transferor Company is engaged in the business of dealing in agricultural/farm produce, the Fourth Transferor Company is engaged in the business of procuring, processing and distributing milk and milk products, the Fifth Transferor Company is engaged in the business of running food courts, the Sixth Transferor Company is engaged in the business of providing support services and manpower solutions including in the field of sourcing, recruitment, training, engagement and staffing services to other companies, the Seventh Transferor Company is engaged in the business of trading of staples etc, the Eighth Transferor Company is engaged in the business of trading in food items and products, the Ninth Transferor Company is engaged in the business of operating cinema screens and the Transferee Company is engaged in business of organising retail business through multiple format stores such as Reliance Fresh, Reliance Super, Reliance Hyper, Reliance Mart, Reliancedigital, Reliance Footprint, Reliance Jewels, Reliance Trends etc.
4. The benefits of the proposed Scheme of Amalgamation are that the businesses of the Transferor Companies are similar to and/or complementary to the business of the Transferee Company. The Transferor Companies are engaged in providing various support services to other companies, particularly in the retail sector and in specialized trading activities. The Transferee Company is engaged in organized retail business through multiple format stores. The present business activities of the Transferor Companies can be conveniently combined with the activities and business of the Transferee Company. The consolidation of the Transferor Companies with the Transferee Company will create one single unified larger company instead of several small entities carrying on similar and /or complementary business. This will enable greater and sharper focus on providing support services to the retail sector and the larger amalgamated entity an engage in specialized trading activities. The amalgamation will result in optimal utilization of resources and avoid duplication of work, which will result in reduction of costs, economy, better administration and efficiency of operations thereby resulting in greater profitability for the amalgamated company. Integrating and combining the businesses of all the Transferor Companies with the Transferee Company will enable the Transferee Company to increase value realization of its operations and effect economies of scale and optimize profitability and reduce the number of companies. Some of the Transferor Companies provide support services to the Transferee Company. The amalgamation will reduce administrative cost and increase profitability of the Transferee Company by eliminating inter company trading. In order to achieve the aforesaid objectives, it is proposed to consolidate and merge all the Transferor Companies with the Transferee Company.
5. All the Transferor Companies and the Transferee Company have approved the Scheme of Amalgamation by passing Board Resolutions, which are annexed to the respective Company Scheme Petition filed by the Transferor Companies.
6. The Counsel for the Petitioner Companies states that all the Transferor Companies and the Transferee Company have a positive net worth and all the Transferor Companies are directly as well as indirectly wholly owned subsidiaries of the Transferee Company and no new shares of the Transferee Company are to be issued to the shareholders of the Transferor Companies and in view of the Judgement dated 31st January, 2001 in the case of Mahaamba Investments Limited vs. IDI Limited [reported in (2001) 105 Company Cases Pg. 16], and that there will be no re-organisation of the share capital of the Transferee Company and the interest of shareholders and creditors of the Transferee Company will not be affected, hence the filing of a Summons for Direction and separate Petition under Section 391 to 394 of the Companies Act, 1956 by Reliance Retail Limited, the Transferee Company, was dispensed with by Orders dated 13th June 2014 passed in Company Summons for Direction Nos. 420 to 428 of 2014.
7. Learned Counsel for the Petitioner companies further states that the Petitioner Companies have complied with all directions passed in Company Summons for Direction and that the Company Scheme Petitions have been filed in consonance with the Orders passed in the said Company Summons for Direction.

8. Learned Counsel appearing on behalf of the Petitioner Companies has stated that the Petitioner Companies have complied with all the requirements as per directions of this Court and have filed necessary Affidavits of compliance in Court, Moreover, the Petitioner Companies through their Counsel undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and/or the Companies Act, 2013 and the Rules made thereunder, whichever is applicable. The said undertaking is accepted.
9. The Official Liquidator has filed his Report on 19th November 2014 in Company Scheme Petition Nos. 543 to 551 of 2014 stating therein that the affairs of the Transferor Companies have been conducted in a proper manner and the Transferor Companies may be ordered to be dissolved.
10. The Regional Director has filed an Affidavit on 13th November 2014 stating therein that save and except as stated in para 6(a), (b) & (c), it appears that the Scheme is not prejudicial to the interest of shareholders and public. In Para 6 of the said Affidavit, it is stated that:
 - “a) Clause 11.3 of the Scheme states that the excess or deficit, if any, shall be adjusted in Reserves. In this regard, it is submitted that the Surplus, if any arising out of this scheme shall be credited to Capital Reserve Account of Transferee Company and the Deficit, if any arising, the same shall be debited to Goodwill Account of the Transferee Company.
 - b) This Directorate has received seven letters from various Income Tax Authorities with respect to this Scheme of Amalgamation. Copy of the said letters are annexed hereto and marked as Exhibit- ‘D1’ to ‘D7’. In this regard, it is respectfully submitted that the tax issue, if any, arising out of the Scheme is subject to final decision of Income Tax Authorities. The approval of the Scheme by this Hon’ble Court may not deter the Income Tax Authority to scrutinize the tax return filed by the Transferee Company after giving effect to the Scheme of Amalgamation. The decision of the Income Tax Authority is binding on the Petitioner Companies.
 - c) Clause 15 of the Scheme provides for Modification of Scheme wherein the Board of Directors of the Transferor Companies and Transferee Company have been authorised to make any amendments to the Scheme, if necessary, after the Scheme is approved by the Hon’ble High Court. Such liberty shall not be exercised by the Board of Directors without obtaining further approval from the Hon’ble High Court. The Transferor and Transferee Company shall be directed to undertake to this effect.”
11. With respect to Para 6(a) of the Affidavit of the Regional Director, the Learned Counsel for the Petitioner Companies undertakes that surplus, if any arising out of the Scheme shall be credited to Capital Reserve Account of Transferee Company and the deficit, if any arising, the same shall be debited to Goodwill Account of the Transferee Company.
12. With respect to Para 6(b) of the Affidavit of the Regional Director, the Learned Counsel for the Petitioner Companies submits that the Petitioner Companies are bound to comply with all applicable provisions of Income Tax Act, and all tax issues arising out of the Scheme will be met and answered in accordance with law.
13. With respect to Para 6(c) of the Affidavit of the Regional Director, the Petitioner Companies through their Leaned Counsel states that Clause 15 of the Scheme gives power to the Board of Directors of the Transferor Companies and the Transferee Company to amend any part of the Scheme. The Learned Counsel for the Petitioner Companies further states that such power to amend the Scheme is subject to approval of the High Court. It is therefore clarified that power vested under Clause 15 of the Scheme will be subject to the approval of the High Court.
14. The Learned Counsel on instructions of Mr. M. Chandanamuthu, 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 given by the Advocate for the Petitioner Companies. The undertakings given on behalf of the Petitioner Companies and the Transferee Company as mentioned above are accepted.
15. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
16. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petitions are made absolute in terms of prayer clauses (a) to (h) and (j) of Company Scheme Petition Nos. 543 to 551 of 2014.
17. The Petitioner Companies to file/lodge 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 sixty days from the date of the Order.

18. The Petitioner Companies are directed to file a copy of this Order alongwith a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, alongwith E-Form 21 / INC 28 in addition to the physical copy, as per relevant provision of the Companies Act, 1956 and/or Companies Act, 2013, whichever is applicable.
19. The Petitioner Companies in all the Company Scheme Petitions to pay costs of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai and to the Official Liquidator, High Court, Bombay respectively. Costs to be paid within four weeks from the date of the Order.
20. Filing and issuance of the drawn up order is dispensed with.
21. All concerned regulatory authorities to act on a copy of this Order alongwith Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay.

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

SCHEME OF AMALGAMATION

under Sections 391 to 394 of the Companies Act, 1956

OF

Achman Commercial Private Limited

AND

Delight Proteins Limited

AND

Reliance Agri Ventures Private Limited

AND

Reliance Dairy Foods Limited

AND

Reliance F&B Services Limited

AND

Reliance Financial Distribution and Advisory Services Limited

AND

Reliance Food Processing Solutions Limited

AND

Reliance Nutritious Food Products Limited

AND

Reliance Review Cinema Limited

WITH

Reliance Retail Limited

PREAMBLE

A. Description of Companies:

a. A brief description of the Transferor Companies (as hereinafter defined) is given below:

- Achman Commercial Private Limited (“**ACPL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002; ACPL is engaged in the business of dealing in food and non-food items and support services;
- Delight Proteins Limited (“**DPL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002; DPL is engaged in the business of trading in food products;
- Reliance Agri Ventures Private Limited (“**RAVPL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002; RAVPL is engaged in the business of dealing in agricultural/farm produce;
- Reliance Dairy Foods Limited (“**RDFL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002; RDFL is engaged in the business of procuring, processing and distributing milk and milk products;
- Reliance F&B Services Limited (“**RF&BSL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002; RF&BSL is engaged in the business of operating food courts;
- Reliance Financial Distribution and Advisory Services Limited (“**RFDASL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 5th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002; RFDASL is engaged in the business of providing support services and manpower solutions including in the fields of sourcing, recruitment, training, engagement and staffing services to other companies;
- Reliance Food Processing Solutions Limited (“**RFPSL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002; RFPSL is engaged in the business of trading in staples, etc.;
- Reliance Nutritious Food Products Limited (“**RNFPL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at Dhobi Talao, 5th Floor, Court House, Lokmanya Tilak Marg, Mumbai – 400 002; RNFPL is engaged in the business of trading in food items and products;
- Reliance Review Cinema Limited (“**RRCL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at Dhobi Talao, 5th Floor, Court House, Lokmanya Tilak Marg, Mumbai – 400 002; RRCL is engaged in the business of operating cinema screens.

ACPL, DPL, RAVPL, RDFL, RF&BSL, RFDASL, RFPSL, RNFPL, RRCL, are collectively referred to as the “**Transferor Companies.**”

b. Reliance Retail Limited (“**RRL**”) is a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002. RRL is hereinafter referred to as the “**Transferee Company**”. RRL is engaged in organized retail business through multiple format stores such as Reliance Fresh, Reliance Super, Reliance Hyper, Reliance Mart, Reliancedigital, Reliance Footprint, Reliance Jewels, Reliance Trends, etc.;

B. Purpose of the Scheme:

- a. It is proposed to consolidate the operations/business of the Transferor Companies and the Transferee Company into a single company by amalgamation of the Transferor Companies with the Transferee Company pursuant to a Scheme of Amalgamation under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 or, as the case may be, the Companies Act, 2013.
- b. The Scheme of Amalgamation provides for the transfer and vesting of the entire business alongwith all the assets and liabilities of each of the Transferor Companies to, and in, the Transferee Company and for various other matters consequential or otherwise integrally connected with the Scheme.

C. Rationale for the Scheme of Amalgamation:

- a. All the Transferor Companies except RNFPL are direct wholly owned subsidiaries of the Transferee Company. RNFPL is a wholly owned subsidiary of RFDASL, which is a wholly owned subsidiary of the Transferee Company and thus, RNFPL is also a wholly owned subsidiary of the Transferee Company.
- b. The businesses of the Transferor Companies are similar to and / or complementary to the business of the Transferee Company.
- c. The Transferor Companies are engaged in providing various support services to other companies, particularly in the retail sector and in specialized trading activities. The Transferee Company is engaged in organized retail business through multiple format stores. The present business activities of the Transferor Companies can be conveniently combined with the activities and business of the Transferee Company.
- d. The consolidation of the Transferor Companies with the Transferee Company will create one single unified larger company instead of several small entities carrying on similar and / or complementary businesses. This will enable greater and sharper focus on providing support services to the retail sector and the larger amalgamated entity can engage in specialized trading activities.
- e. The amalgamation will result in optimal utilization of resources and avoid duplication of work, which will result in reduction of costs, economy, better administration and efficiency of operations thereby resulting in greater profitability for the amalgamated company.
- f. Integrating and combining the businesses of all the Transferor Companies with the Transferee Company will enable the Transferee Company to increase value realization of its operations and effect economies of scale and optimize profitability and reduce the number of companies.
- g. Some of the Transferor Companies provide support services to the Transferee Company. The amalgamation will reduce administrative costs and increase profitability of the Transferee Company by eliminating inter company trading.
- h. In order to achieve the aforesaid objectives, it is proposed to consolidate and merge all the Transferor Companies with the Transferee Company.

D. Parts of the Scheme:

This Scheme of Amalgamation is divided into the following parts:

- (i) **Part I** deals with definitions of terms used in this Scheme of Amalgamation, Share Capital of the respective Transferor Companies and the Transferee Company and date of operation of the Scheme;
- (ii) **Part II** deals with the transfer of the respective Undertaking (as hereinafter defined) of each of the Transferor Companies to the Transferee Company;
- (iii) **Part III** deals with the cancellation of the share capital of the Transferor Companies;
- (iv) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company and declaration of dividends;
- (v) **Part V** deals with the dissolution of all the Transferor Companies and the general terms and conditions applicable to this Scheme of Amalgamation.

PART I
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, the following terms shall have the meanings set out below:-

- 1.1 “**Act**” means the Companies Act, 1956 or the Companies Act, 2013, as applicable and includes any statutory re-enactment or modification thereof or amendment thereto, from time to time;
- 1.2 “**Appointed Date**” means 1st April 2013;
- 1.3 “**Effective Date**” means the last of the dates on which the Order of the High Court sanctioning the Scheme of Amalgamation is filed with the Registrar of Companies having jurisdiction, by each of the Transferor Companies and by the Transferee Company. Any references in this Scheme to the date of “**coming into effect of this Scheme**” or “**effectiveness of this Scheme**” or “**Scheme taking effect**” shall mean the Effective Date;
- 1.4 “**Governmental Authority**” means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India;
- 1.5 “**High Court**” means the High Court of Judicature at Bombay having jurisdiction over the Transferor Companies and the Transferee Company and includes the Tribunal constituted under the Act, as applicable;
- 1.6 “**Scheme**” or “**Scheme of Amalgamation**” means this Scheme of Amalgamation as submitted in the present form to the High Court together with any modification(s) approved or imposed or directed by the High Court;
- 1.7 “**Transferee Company**” or “**RRL**” means Reliance Retail Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002;
- 1.8 “**Transferor Companies**” means collectively all the Transferor Companies named below:
 - (i) Achman Commercial Private Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002. Achman Commercial Private Limited is hereinafter referred to as “**ACPL**” or “**First Transferor Company**”;
 - (ii) Delight Proteins Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002. Delight Proteins Limited is hereinafter referred to as “**DPL**” or “**Second Transferor Company**”;
 - (iii) Reliance Agri Ventures Private Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002. Reliance Agri Ventures Private Limited is hereinafter referred to as “**RAVPL**” or “**Third Transferor Company**”;
 - (iv) Reliance Dairy Foods Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002. Reliance Dairy Foods Limited is hereinafter referred to as “**RDFL**” or “**Fourth Transferor Company**”;
 - (v) Reliance F&B Services Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002. Reliance F&B Services Limited is hereinafter referred to as “**RF&BSL**” or “**Fifth Transferor Company**”;
 - (vi) Reliance Financial Distribution and Advisory Services Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 5th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002. Reliance Financial Distribution and Advisory Services Limited is hereinafter referred to as “**RFDASL**” or “**Sixth Transferor Company**”;

- (vii) Reliance Food Processing Solutions Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400 002. Reliance Food Processing Solutions Limited is hereinafter referred to as **“RFPSL”** or **“Seventh Transferor Company”**;
 - (viii) Reliance Nutritious Food Products Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at Dhobi Talao, 5th Floor, Court House, Lokmanya Tilak Marg, Mumbai – 400 002. Reliance Nutritious Foods Products Limited is hereinafter referred to as **“RNFPL”** or **“Eighth Transferor Company”**;
 - (ix) Reliance Review Cinema Limited, a company incorporated under the Companies Act, 1956 and a public company within the meaning of the Companies Act, 2013 having its registered office at Dhobi Talao, 5th Floor, Court House, Lokmanya Tilak Marg, Mumbai – 400 002. Reliance Review Cinema Limited is hereinafter referred to as **“RRCL”** or **“Ninth Transferor Company”**; and the term **“Transferor Company”** shall mean any one of the Transferor Companies named above, as the context may require;
- 1.9 **“Undertaking”** in relation to a Transferor Company, shall mean the whole of the undertaking and the entire business of that Transferor Company as a going concern, including:
- (i) All the assets and properties (whether moveable or immoveable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without limitation, plant, machinery, equipment, vehicles, furniture, fixtures, office equipment, appliances, inventory, stock-in-trade, accessories, power lines, fixed and other assets, telephone lines, telexes, facsimile, email, internet, leased line connections and installations, water, utilities, electricity and other services, stocks, investments of all kinds (including shares, scrips, stocks, bonds, debentures, debenture stock, units and certificates), cash balances on hand and with banks, current assets, loans, advances, contingent rights or benefits, receivables, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreements, benefit of any security arrangements or under any guarantees, entitlements, tenancies, if any, reserves, provisions, funds, all records, files, papers, rights, benefits or other interest whether held in trust or otherwise, contracts, agreements, powers, engagements, arrangements of all kinds, privileges and all other rights including title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
 - (ii) All debts, loans (including convertible loans, if any), liabilities, duties, undertakings and obligations of the Transferor Company of any kind, nature and description whatsoever and howsoever arising including any guarantees, letters of credits, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form, borrowings and bills payable of, security or other deposits and advances received by, and other obligations or guarantees given or undertaken by, the Transferor Company;
 - (iii) All registrations, agreements, rights, claims, privileges, contracts, entitlements, assignments, grants, permits, licences, approvals, authorizations, concessions, consents, engagements, arrangements, reversions, powers, sanctions, authorities, allotments, permissions, quotas, subsidies, special status, incentives, exemptions, relaxation, liberties, tax and other benefits arising out of any law or programmes or policies of the Government or any municipal or other authority or otherwise, whether past, present or future;
 - (iv) All tax credits, refunds, reimbursements, claims, concessions, exemptions, benefits under service tax laws, value added tax (VAT), purchase tax, sales tax or any other duty or tax or cess or imposts under any Central or State law including sales tax deferrals and Minimum Alternate Tax (“MAT”) paid under Section 115JA/115JB of the Income Tax Act, 1961 (“IT Act”), advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any, and depreciation, MAT credit, deductions and benefits under the IT Act or any other taxing statute;

- (v) All trade and service names and marks, patents, designs, copyrights, software and computer programmes, databases, domain name(s) and other intellectual property rights of any kind including all applications filed by the Transferor Company for registration of any such rights and the benefits thereof and any assignment thereof or related thereto and all records of any kind;
- (vi) All permanent employees engaged by the Transferor Company as on the Effective Date;
- (vii) All records, files, documents, reports, papers, programs and manuals, whether in physical or electronic form, in connection with or relating to the Transferor Company.

1.10 “Undertakings” means collectively the Undertakings of all the Transferor Companies;

All terms 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 and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory modification or re-enactment thereof, from time to time in force.

In this Scheme, where the context so requires, words importing the singular number shall include the plural number.

2. SHARE CAPITAL

2.1 Transferor Companies:

The share capital of each of the Transferor Companies is described below:

2.1.1 First Transferor Company (ACPL)

- (a) As per the audited annual accounts of the First Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the First Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on 1st March, 2014, the authorized, issued, subscribed and paid-up share capital of the First Transferor Company was as under.

	Rs.	Rs.
Authorised Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each.	5,00,000/-	
(ii) 8,000 Preference Shares of Rs. 10/- each.	80,000/-	5,80,000/-
Issued, Subscribed and Paid-up Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	
(ii) 8,000 - 9% Cumulative Optionally Convertible Preference Shares of Rs. 10/- each fully paid-up.	80,000/-	5,80,000/-

2.1.2 Second Transferor Company (DPL)

- (a) As per the audited annual accounts of the Second Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Second Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
2,00,000 Equity Shares of Rs.10/- each.	20,00,000/-	20,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on **1st March, 2014**, the authorized, issued, subscribed and paid-up share capital of the Second Transferor Company was as under.

	Rs.	Rs.
Authorised Share Capital:		
(i) 2,00,000 Equity Shares of Rs.10/- each.	20,00,000/-	
(ii) 64,000 Preference Shares of Rs. 10/- each.	6,40,000/-	26,40,000/-
Issued, Subscribed and Paid-up Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	
(ii) 64,000 - 9% Cumulative Optionally Convertible Preference Shares of Rs. 10/- each fully paid-up.	6,40,000/-	11,40,000/-

2.1.3 Third Transferor Company (RAVPL)

- (a) As per the audited annual accounts of the Third Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Third Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
10,000 Equity Shares of Rs.10/- each fully paid-up.	1,00,000/-	1,00,000/-

- (b) As on **1st March 2014**, the authorized, issued, subscribed and paid-up share capital of the Third Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	5,00,000/-

2.1.4 Fourth Transferor Company (RDFL)

- (a) As per the audited annual accounts of the Fourth Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Fourth Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on **1st March 2014**, the authorized, issued, subscribed and paid-up share capital of the Fourth Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each.	5,00,000/-	
(ii) 2, 00,000 Preference Shares of Rs. 10/- each.	20,00,000/-	25,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	
(ii) 2,00,000 - 9% Cumulative Optionally Convertible Preference Shares of Rs. 10/- each fully paid-up.	20,00,000/-	25,00,000/-

2.1.5 Fifth Transferor Company (RF&BSL)

- (a) As per the audited annual accounts of the Fifth Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Fifth Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
(i) 2,50,000 Equity Shares of Rs.10/- each.	25,00,000/-	
(ii) 2,50,000 Unclassified Shares of Rs.10/- each.	25,00,000/-	50,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on 1st March 2014, the authorized, issued, subscribed and paid-up share capital of the Fifth Transferor Company was as under.

	Rs.	Rs.
Authorised Share Capital:		
(i) 2,50,000 Equity Shares of Rs.10/- each.	25,00,000/-	
(ii) 2,50,000 Preference Shares of Rs. 10/- each.	25,00,000/-	50,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	
(ii) 8,000 - 9% Cumulative Optionally Convertible Preference Shares of Rs. 10/- each fully paid-up.	80,000/-	5,80,000/-

2.1.6 Sixth Transferor Company (RFDASL)

- (a) As per the audited annual accounts of the Sixth Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Sixth Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on 1st March 2014, the authorized, issued, subscribed and paid-up share capital of the Sixth Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
(i) 65, 30,000 Equity Shares of Rs.10/- each.	6,53,00,000/-	
(ii) 70,000 Preference Shares of Rs. 10/- each.	7,00,000/-	6,60,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	
(ii) 70,000 - 9% Cumulative Optionally Convertible Preference Shares of Rs. 10/- each fully paid-up.	7,00,000/-	12,00,000/-

2.1.7 Seventh Transferor Company (RFPSL)

- (a) As per the audited annual accounts of the Seventh Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Seventh Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000/-	5,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on **1st March 2014**, the authorized, issued, subscribed and paid-up share capital of the Seventh Transferor Company was as under.

	Rs.	Rs.
Authorised Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each.	5,00,000/-	
(ii) 2,76,000 Preference Shares of Rs. 10/- each.	27,60,000/-	32,60,000/-
Issued, Subscribed and Paid-up Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	
(ii) 2,76,000 - 9% Cumulative Optionally Convertible Preference Shares of Rs. 10/- each fully paid-up.	27,60,000/-	32,60,000/-

2.1.8 Eighth Transferor Company (RNFPL)

- (a) As per the audited annual accounts of the Eighth Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Eighth Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
2,50,00,000 Equity Shares of Rs.10/- each.	25,00,00,000/-	25,00,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
1,00,00,000 Equity Shares of Rs.10/- each fully paid-up.	10,00,00,000/-	10,00,00,000/-

- (b) As on **1st March 2014**, the authorized, issued, subscribed and paid-up share capital of the Eighth Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
2,50,00,000 Equity Shares of Rs.10/- each.	25,00,00,000/-	25,00,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
1,21,60,000 Equity Shares of Rs.10/- each fully paid-up.	12,16,00,000/-	12,16,00,000/-

2.1.9 Ninth Transferor Company (RRCL)

- (a) As per the audited annual accounts of the Ninth Transferor Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Ninth Transferor Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
50,000 Equity Shares of Rs.10/- each.	5,00,000 /-	5,00,000 /-
Issued, Subscribed and Paid-up Share Capital:		
50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	5,00,000/-

- (b) As on **1st March 2014**, the authorized, issued, subscribed and paid-up share capital of the Ninth Transferor Company was as under.

	Rs.	Rs.
Authorised Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each.	5,00,000/-	
(ii) 2,000 Preference Shares of Rs. 10/- each.	20,000/-	5,20,000/-
Issued, Subscribed and Paid-up Share Capital:		
(i) 50,000 Equity Shares of Rs.10/- each fully paid-up.	5,00,000/-	
(ii) 2,000 - 9% Cumulative Optionally Convertible Preference Shares of Rs. 10/- each fully paid-up.	20,000/-	5,20,000/-

2.2 Transferee Company:

- (a) As per the audited annual accounts of the Transferee Company as on 31st March 2013, the authorized, issued, subscribed and paid-up share capital of the Transferee Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
10,50,000 Equity Shares of Rs.10/- each.	1,05,00,000/-	1,05,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
10,50,000 Equity Shares of Rs.10/- each fully paid-up.	1,05,00,000/-	1,05,00,000/-

- (b) As on **1st March 2014**, the authorized, issued, subscribed and paid-up share capital of the Transferee Company was as under:

	Rs.	Rs.
Authorised Share Capital:		
15,00,00,00,000 Equity Shares of Rs.10/- each.	15,00,00,00,000/-	15,00,00,00,000/-
Issued, Subscribed and Paid-up Share Capital:		
498,95,41,650 Equity Shares of Rs.10/- each fully paid-up.	49,895,416,500/-	49,895,416,500/-

3. DATE WHEN THE SCHEME COMES INTO OPERATION

The Scheme shall come into operation from the Appointed Date, but the same shall become effective only from the Effective Date.

PART II

TRANSFER AND VESTING OF UNDERTAKINGS

4. TRANSFER OF UNDERTAKINGS

4.1 Generally:

On the coming into effect of this Scheme and with effect from the Appointed Date, the whole of the Undertakings of all the Transferor Companies shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, each as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, on and from the Appointed Date, the Undertakings of the Transferee Company by virtue of and in the manner provided in this Scheme.

4.2 Transfer of Assets:

- 4.2.1 Without prejudice to the generality of Clause 4.1 above, on the coming into effect of this Scheme and with effect from the Appointed Date:

- (a) All the assets and properties comprised in each of the Undertakings of the Transferor Companies, except for the portion dealt with under sub-clause (b) below, of whatsoever nature and wheresoever situate and which are incapable of passing by manual delivery, shall, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, on and from the Appointed Date, the assets and properties of the Transferee Company, subject however to the provisions of Clause 4.4 hereinbelow.
- (b) Without prejudice to the provisions of sub-clause (a) of this Clause 4.2.1 in respect of such assets and properties of each of the Transferor Companies, as are moveable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall, be so transferred by each Transferor Company to the Transferee Company and shall, on such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertakings, without requiring any deed or instrument or conveyance for the same.
- (c) In respect of moveable properties of each of the Transferor Companies other than those dealt with in sub-clause (b) of this Clause 4.2.1, any incorporeal property and in respect of current assets, sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, Semi-Government, local or other authority or body or with any company or other person, the same shall, on and from the Appointed Date, stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtor or any other person. The Transferee Company may, without being obliged to do so, give notice in such form as it may deem fit and proper to each person, debtor or depositor, authority, body or company, as the case may be, that, pursuant to the High Court having sanctioned the amalgamation of the Transferor Companies with the Transferee Company, the said property, debts, loans, advances, balances, investments and deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto.
- (d) All registrations, agreements, rights, claims, privileges, contracts, entitlements, assignments, grants, permits, licences, approvals, authorizations, concessions, consents, engagements, arrangements, reversions, powers, sanctions, authorities, allotments, permissions, quotas, subsidies, special status, incentives, exemptions, relaxations, liberties, tax and other benefits enjoyed or conferred on or held or availed of by each of the Transferor Companies and all rights and benefits that have accrued or which may accrue to the respective Transferor Companies, whether before or after the Appointed Date, shall, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become on and from the Appointed Date, the registrations, agreements, rights, claims, privileges, contracts, entitlements, assignments, grants, permits, licences, approvals, authorizations, concessions, consents, engagements, arrangements, reversions, powers, sanctions, authorities, allotments, permissions, quotas, subsidies, special status, incentives, exemptions, relaxations, liberties, tax and other benefits of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

4.2.2 All assets and properties comprised in the respective Undertaking of the Transferor Companies as on the Appointed Date, whether or not included in the books of the respective Transferor Companies, and all assets and properties, which are acquired by concerned Transferor Companies on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company by virtue of and in the manner provided in this Scheme and shall, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company.

4.3 Transfer of Liabilities

4.3.1 Without prejudice to the generality of Clause 4.1 above, on the coming into effect of this Scheme and with effect from the Appointed Date, all debts, loans (including convertible loans, if any), liabilities, duties, undertakings and obligations of the respective Transferor Companies of any kind, nature and description whatsoever and howsoever arising including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form, borrowings and bills payable of, security or other deposits and advances received by, interest and other obligations or guarantees given or undertaken by, the respective Transferor Companies, as on the Appointed Date, whether or not provided in the books of accounts of the respective Transferor Companies, shall,

pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any, of the Act, be transferred or be deemed to be transferred to the Transferee Company, without any further act, instrument, deed, matter or thing and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become the liabilities of the Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the Transferee Company shall meet, discharge and satisfy the same and further 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, loans, liabilities, duties, undertakings and obligations have arisen in order to give effect to the provisions of this Clause.

- 4.3.2 All debts, loans (including convertible loans, if any), liabilities, duties, undertakings and obligations of the respective Transferor Companies of any kind, nature and description whatsoever and howsoever arising including any guarantees, letters of credits, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form, borrowings and bills payable of, security or other deposits and advances received by, interest and other obligations or guarantees given or undertaken by, the respective Transferor Companies, or which may arise or accrue to the respective Transferor Companies after the Appointed Date and till the Effective Date shall be deemed to have been raised, utilised, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956, without any further act, instrument or deed be and stand transferred to and assumed by or be deemed to have been transferred to and assumed by the Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and shall become the debts, loans, liabilities, duties, undertakings and obligations of the Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the Transferee Company shall meet, discharge and satisfy the same and further 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, loans, liabilities, duties, undertakings and obligations have arisen in order to give effect to the provisions of this Clause.
- 4.3.3 Where any of the debts, loans (including convertible loans, if any), liabilities, duties, undertakings and obligations of the respective Transferor Companies of any kind, nature and description whatsoever and howsoever arising including any guarantees, letters of credits, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form, borrowings and bills payable of, security or other deposits and advances received by, interest and other obligations or guarantees given or undertaken by, the respective Transferor Companies as on the Appointed Date have been discharged by the concerned Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.3.4 Debts, loans, liabilities, duties, undertakings and obligations, if any, due or which may hereafter become due inter-se any of the Transferor Companies or between any of the Transferor Companies and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company debts, loans, liabilities, duties, undertakings and obligations with effect from the Appointed Date.
- 4.3.5 Without prejudice to the foregoing provisions of this Clause:
- (i) All debentures (whether convertible or non-convertible), bonds or other debt instruments (hereinafter referred to as the “**Debt Securities**”), if any, of any of the Transferor Companies shall, if any such Debt Securities are outstanding on the Effective Date, subject to sub-clause (ii) of this Clause 4.3.5, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions, if any, of the Act, without any further act, instrument or deed become the Debt Securities of the Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the concerned Transferor Company in respect of the Debt Securities so transferred.
 - (ii) Any Debt Securities issued by any of the Transferor Companies and held by any other Transferor Company or the Transferee Company shall, unless transferred by such other Transferor Company or Transferor Companies or the Transferee Company to any other person, at any time prior to the Effective Date, stand cancelled as on the Effective Date and be of no effect and appropriate effect shall be given to such cancellation in the books of accounts and records of the Transferee Company. The certificates issued by the concerned Transferor Companies in relation to such Debt Securities shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled on the Effective Date.

- (iii) Any debentures, bonds or other debt securities issued by the Transferee Company and held by any of the Transferor Companies shall, unless transferred by the concerned Transferor Companies to any other person, at any time prior to the Effective Date, stand cancelled on the Effective Date and be of no effect and appropriate effect shall be given to such cancellation in the books of accounts and records of the Transferee Company. The certificates issued by the Transferee Company in relation to such debentures, bonds or other debt securities shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled as on the Effective Date. In relation to debentures, bonds or other debt securities, if any, held in dematerialized form, the Transferee Company shall do, execute and take all necessary steps, actions, matters or things and make all necessary filings, as required to give effect to the cancellation.

4.4 Encumbrances:

- 4.4.1 The transfer and vesting of the assets and properties of the Transferor Companies under Clauses 4.1 and 4.2 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.
- 4.4.2 (a) In so far as the assets and properties of the Transferor Companies are concerned, the securities, charges, encumbrances or liens, if any (hereinafter referred to as the “**Encumbrances**”), created at any time prior to and existing on the Effective Date, over the assets and properties or any part thereof of the respective Transferor Companies transferred to the Transferee Company in terms of this Scheme shall, on and after the Effective Date, without any further act or deed, continue to relate or attach to such assets and properties or any part thereof of the respective Transferor Companies transferred to the Transferee Company, but such Encumbrances, if any, shall not relate or attach to any of the assets and properties of the Transferee Company or any part thereof or the assets and properties of the other Transferor Companies or any part thereof transferred to the Transferee Company in terms of this Scheme.
- (b) Without prejudice to sub-clause (a) of this Clause 4.4.2, it is clarified that any reference in any security documents or arrangements (to which a Transferor Company is a party) to any Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferee Company, provided always that such Encumbrances, if any, shall extend only to and over the assets and properties of the respective Transferor Companies transferred to and vested in the Transferee Company in terms of this Scheme and not any of the assets and properties of the Transferee Company or the assets and properties of the other Transferor Companies transferred to the Transferee Company in terms of this Scheme.
- 4.4.3 The existing securities, encumbrances or liens over the assets and properties of the Transferee Company or any part thereof shall continue to relate or attach to the assets and properties of the Transferee Company to which the same relate or attach and nothing contained in this Scheme shall operate to enlarge or extend such securities, charges, encumbrances or liens to any of the assets or properties of any of the Transferor Companies or any part thereof which are transferred to and vested in the Transferee Company in terms of this Scheme.
- 4.4.4 Without prejudice to the foregoing provisions, the Transferee Company may execute any supplemental instruments or documents for recording the change of the entity and do all acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies, Maharashtra, to give formal effect to the substitution of the names of the Transferor Companies with the name of the Transferee Company, if required.
- 4.4.5 The provisions of this Clause 4.4 shall operate in accordance with the terms of this Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

4.5 Inter-se Transactions:

Without prejudice to Clauses 4.1 to 4.4, with effect from the Appointed Date, all inter-party transactions inter-se any of the Transferor Companies and between any of the Transferor Companies and the Transferee Company shall be considered as intra- party transactions for all purposes from the Appointed Date and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed.

5. CONTRACTS, DEEDS, ETC.

- 5.1 On the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds,

agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of any of the Transferor Companies or powers or authorities granted by or to any of the Transferor Companies) of whatsoever nature to which any of the Transferor Companies is a party or to the benefit of which any of the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against the Transferee Company and may be enforced as fully and effectually as if, instead of the concerned Transferor Companies, the Transferee Company had been a party or obligee thereunder.

- 5.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertakings occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, if so required, under law or otherwise, take such actions or enter into, or issue or execute deeds, writings, confirmations, novations, declarations or other documents with, or in favour of, any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the concerned Transferor Companies and to carry out or perform all such formalities or compliances required for the purposes referred to above.
- 5.3 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, sanctions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company.

6. **LEGAL PROCEEDINGS**

On and from the Appointed Date, all suits, actions and legal proceedings, if any, instituted and / or pending and / or arising by or against any of the Transferor Companies shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or were pending and/or arising by or against the Transferee Company.

7. **CONDUCT OF BUSINESS**

With effect from the Appointed Date and up to the Effective Date:

- (a) The Transferor Companies shall carry on and shall be deemed to have carried on all their business and activities relating to their respective Undertaking as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of their respective Undertaking on account of, and for the benefit of, and in trust for, the Transferee Company.
- (b) All the profits or incomes accruing or arising to the Transferor Companies, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) in relation to their respective Undertaking shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
- (c) All taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Companies in respect of their respective operations and/or the profits of the business upto the Appointed Date, shall be on account of the concerned Transferor Companies and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, excise duty, custom duty, service tax, VAT, 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 their respective business on and 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.
- (d) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Undertakings and exercised by or available to the respective Transferor Companies shall be deemed to have been exercised by the Transferor Companies for and on behalf of and as agent for the Transferee Company. Similarly, any of the

obligations, duties and commitments attached, relating or pertaining to the Undertakings that have been undertaken or discharged by the concerned Transferor Companies shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

8. EMPLOYEES

- (a) On the coming into effect of this Scheme, all permanent employees, if any, of the Transferor Companies who are in employment of the Transferor Companies, as on the Effective Date, shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on the same terms and conditions as to employment and remuneration on which they are engaged or employed by the Transferor Companies. It is clarified that the employees of the Transferor Companies who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company unless otherwise determined by the Transferee Company.
- (b) The amounts transferred by the Transferor Companies towards their respective gratuity, provident fund, pension and/or superannuation fund if any, for the benefit of their respective employees (collectively referred to as the "Funds") and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds of the Transferee Company.
- (c) With effect from the date of filing of this Scheme with the High Court and till the Effective Date, the Transferor Companies shall not vary or modify the terms and conditions of employment of any of their respective employees, except with the written consent of the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertakings of the Transferor Companies under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies on or before the Appointed Date 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 made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART III

CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANIES

10.1 CANCELLATION OF EQUITY SHARE CAPITAL OF TRANSFEROR COMPANIES:

- 10.1.1 All the Transferor Companies (except the Eighth Transferor Company) are wholly owned subsidiaries of the Transferee Company and the entire issued, subscribed and paid-up equity share capital of each of the said Transferor Companies is held by the Transferee Company and its 6 (six) individual nominees of the Transferee Company (who hold the equity shares in the said Transferor Companies (except the Eighth Transferor Company) jointly with the Transferee Company). Accordingly, on the Scheme taking effect, the entire issued, subscribed and paid-up equity share capital of all the Transferor Companies (except the Eighth Transferor Company) shall ipso facto, without any further application, act, deed, instrument or thing stand cancelled on the Effective Date and no new equity shares of the Transferee Company shall be issued or allotted with respect to equity shares held by the Transferee Company and its nominees in the said Transferor Companies.
- 10.1.2 The Eighth Transferor Company is a wholly owned subsidiary of the Sixth Transferor Company. The Sixth Transferor Company is a wholly owned subsidiary of the Transferee Company. Therefore, the Eighth Transferor Company is also a wholly owned subsidiary of the Transferee Company. The Sixth Transferor Company will, on the Effective Date stand amalgamated with the Transferee Company under the Scheme. The entire issued, subscribed and paid-up equity share capital of the Eighth Transferor Company is held by the Sixth Transferor Company and 6 (six) individual nominees

of the Sixth Transferor Company who hold the equity shares of the Eighth Transferor Company jointly with the Sixth Transferor Company. Accordingly, on the Scheme taking effect, the entire issued, subscribed and paid-up share capital of the Eighth Transferor Company, which is held entirely by the Sixth Transferor Company, shall *ipso facto* without any further application, act, deed, matter or thing stand cancelled on the Effective Date and no new equity shares of the Transferee Company will be issued and allotted with respect to the equity shares held by the Sixth Transferor Company and its nominees in the Eighth Transferor Company.

10.1.3 The share certificates issued by each of the Transferor Companies in relation to their respective equity shares shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled as on the Effective Date. In relation to equity shares of any Transferor Companies which are held in dematerialized form, the Transferee Company shall do, execute and take all necessary steps, actions, matters or things and make all necessary filings, as required to give effect to the cancellation.

10.2 CANCELLATION OF PREFERENCE SHARE CAPITAL OF TRANSFEROR COMPANIES:

10.2.1 The entire issued, subscribed and paid-up preference share capital of each of the First Transferor Company to the Seventh Transferor Company and the Ninth Transferor Company is held by the Transferee Company. Accordingly, on the Scheme taking effect, the entire issued, subscribed and paid-up preference share capital of the said Transferor Companies shall *ipso facto*, without any further application, act, deed, instrument or thing stand cancelled on the Effective Date and no new shares of the Transferee Company shall be issued or allotted with respect to preference shares held by the Transferee Company in the said Transferor Companies.

10.2.2 The share certificates issued by the concerned Transferor Companies in relation to their respective preference shares shall, without any further application, act, instrument or deed, be deemed to be and stand automatically cancelled as on the Effective Date. In relation to preference shares of any Transferor Companies which are held in dematerialized form, the Transferee Company shall do, execute and take all necessary steps, actions, matters or things and make all necessary filings, as required to give effect to the cancellation.

PART IV

ACCOUNTING TREATMENT AND DIVIDENDS

11. ACCOUNTING TREATMENT

11.1 On the Effective Date, the investments in shares of the Transferor Companies held by the Transferee Company will stand cancelled and there shall be no further obligation outstanding in that behalf.

11.2 The assets, liabilities and reserves (whether capital or revenue including debit balance in profit and loss account) of the Transferor Companies shall be recorded by the Transferee Company in its books of accounts at the book values and in the same form as appearing in the books of the respective Transferor Companies as at the Appointed Date. Suitable adjustments including to ensure uniform accounting methods and policies between the Transferor Companies and the Transferee Company may be made as considered appropriate by the Board of Directors of the Transferee Company.

11.3 The excess or deficit, if any, remaining after recording the aforesaid entries shall be adjusted in reserves. Such treatment and adjustments thereof will be in compliance with the accounting treatment as prescribed under Accounting Standard 14 and other Accounting Standards as applicable issued by the Institute of Chartered Accountants of India and notified by Ministry of Corporate Affairs, as amended from time to time.

12. DECLARATION OF DIVIDEND

12.1 With effect from the date of filing of this Scheme with the High Court and up to the Effective Date, the Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders.

12.2 Until the coming into effect of this Scheme, the holders of shares of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including their right to receive dividend.

PART V

DISSOLUTION OF TRANSFEROR COMPANIES AND GENERAL TERMS AND CONDITIONS

13. DISSOLUTION OF TRANSFEROR COMPANIES

On the coming into effect of this Scheme, all the Transferor Companies shall stand dissolved without winding-up and the respective Boards of Directors of the Transferor Companies and any Committees thereof shall, without any further act, instrument and deed, be and stand dissolved.

14. VALIDITY OF EXISTING RESOLUTIONS, ETC.

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

15. MODIFICATION OF SCHEME

15.1 The Transferor Companies and the Transferee Company by their respective Boards of Directors or any Committee thereof or any Director authorised in that behalf (hereinafter referred to as the “**Delegate**”) may assent to or make, from time to time, any modifications or amendments or additions to this Scheme, which the High Court or any authorities under law may impose and which the Transferor Companies and the Transferee Company may in their discretion accept or may make such modifications or amendments or additions to this Scheme as the Transferor Companies and the Transferee Company or as the case may be, their respective Delegate may deem fit or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme and as may be approved by the High Court, and the Transferor Companies and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. In the event that any conditions imposed by the High Court or any Governmental Authorities are found unacceptable by the Transferor Companies or the Transferee Company for any reason, then the Transferor Companies and the Transferee Company shall be at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Companies and the Transferee Company may be exercised by the Delegate of the respective Companies.

15.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of the Transferor Companies and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any manner whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture holders, if any, of the respective Transferor Companies) or to review the position relating to the satisfaction of any conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

16. FILING OF APPLICATIONS

The Transferor Companies with all reasonable despatch, make and file all applications and/or petitions under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act before the High Court for sanction of this Scheme and for the dissolution without winding-up of the Transferor Companies under the provisions of law, and shall apply for such approvals as may be required under law. The Transferor Companies are wholly owned subsidiaries of the Transferee Company. Under the Scheme, no new shares are to be issued and allotted by the Transferee Company. All the assets and liabilities of the Transferor Companies will be transferred to the Transferee Company. The Transferor Companies and the Transferee Company have a positive net worth. Accordingly, the Transferee Company will not be filing any application and / or petition under Sections 391 to 394 of the Companies Act, 1956 for sanction of the Scheme since the Scheme will not affect the rights or interest of the members or creditors of the Transferee Company.

17. APPROVALS

The Transferee Company shall be entitled, pending the sanction of this Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertakings and to carry on the business of the Transferor Companies or any of them.

18. SCHEME CONDITIONAL ON SANCTIONS, ETC.

18.1 This Scheme is conditional on and subject to:

- (i) The Scheme being agreed to by the requisite majority of the members of each of the Transferor Companies and by such other persons as may be required under the Act and the requisite directions being issued by the High Court;
- (ii) All approvals, sanctions or consents of any Governmental Authority as may be required by law in respect of this Scheme being obtained; and
- (iii) The copies of the Order(s) of the High Court sanctioning this Scheme being filed by each of the Transferor Companies and the Transferee Company with the Registrar of Companies, Maharashtra.

18.2 In the event of this Scheme failing to take effect finally by 31st March, 2015 or by such later date as may be agreed by the respective Boards of Directors of the Transferor Companies and the Board of Directors of the Transferee Company, this Scheme shall become null and void and be of no effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred or claimed inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs, charges and expenses incurred in relation to or in connection with this Scheme or as may be mutually agreed.

19. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses (including any taxes and duties) of or payable by each of the Transferor Companies and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company in pursuance of this Scheme including stamp duty on the Order of the High court, if any, and to the extent applicable and payable shall be borne and paid by the Transferee Company.