



MEMORANDUM AND ARTICLES OF ASSOCIATION
GLAXOSMITHKLINE PHARMACEUTICALS LIMITED

No.11-1151

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME
IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
MUMBAI.**

In the matter of GLAXO INDIA LIMITED

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

from GLAXO INDIA LIMITED

to GLAXOSMITHKLINE PHARMACEUTICALS LIMITED
and I hereby certify that GLAXO INDIA LIMITED

Which was originally incorporated in THIRTEENTH day of NOVEMBER, 1924 under the Indian Companies Act, VII of 1913 under the name H. J. FOSTER AND COMPANY LIMITED

having duly passed necessary resolution in terms of section 21 / / / of the Companies Act, 1956 the name of the said company is this day changed to GLAXOSMITHKLINE PHARMACEUTICALS LIMITED in pursuance of order passed on 05/09/2001 by the Hon'ble High Court, Mumbai and this certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at MUMBAI this EIGHTH day of OCTOBER, Two Thousand ONE.



sd/-
(A. W. ANSARI)
DEPUTY REGISTRAR OF COMPANIES
MAHARASHTRA MUMBAI.

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

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
BOMBAY

IN THE MATTER OF * **GLINDIA LIMITED.**

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act I of 1956) read with the Government of India, Department of Company Affairs, Notification No. GSR 507E dated the 24th June 1985 the change of name of the company from, **GLINDIA LIMITED** to **GLAXO INDIA LIMITED** AND I hereby certify that **GLINDIA LIMITED** which was originally incorporated on **THIRTEENTH** day of **NOVEMBER** 1924 under the ** Indian Companies Act, 1913 and under the name H.J. FOSTER AND COMPANY LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 the name of the said Company is this day changed to

GLAXO INDIA LIMITED

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

GIVEN UNDER MY HAND AT BOMBAY THIS **FIRST** DAY OF **SEPTEMBER** 1989 (One thousand nine hundred eight-nine)



sd/
(**R. AGHORAMURTHY**)
Registrar of Companies
Maharashtra, Bombay.

- Note: 1. * Here give the name of the company as existing prior to change.
2. ** Here give the name of the Act(s) under which company was originally registered and incorporated.

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

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
BOMBAY. IN the matter of * **GLAXO LABORATORIES (INDIA) LIMITED.**

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act I of 1956) read with the Government of India, Department of Company Affairs Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the company from **GLAXO LABORATORIES (INDIA) LIMITED** to **GLINDIA LIMITED** and I hereby certify that **GLAXO LABORATORIES (INDIA) LIMITED** which was originally incorporated on **THIRTEENTH** day of **NOVEMBER** 1924 under the ** INDIAN COMPANIES ACT 1913 and under the name H. J. FOSTER AND COMPANY LIMITED having duly passed the necessary resolution in terms of Section 21/22 (l)(a)/22(l)(b) of the Companies Act, 1956 the name of the said Company is this day changed to **GLINDIA LIMITED** and this certificate is issued pursuant to Section 23(1) of the said Act.

GIVEN UNDER MY HAND AT BOMBAY THIS ELEVENTH DAY
MARCH 1987 (One Thousand Nine Hundred Eight Seven)



Sd/-

(V.S. GALGALI)

Registrar of Companies
Maharashtra, Bombay

- Note: 1. * Here give the name of the company as existing prior to change.
2. ** Here give the name of the Act(s) under which the Company was originally registered and incorporated.

**CERTIFICATE OF CHANGE OF NAME
IN THE OFFICE OF THE REGISTRAR OF COMPANIES, UNDER
THE COMPANIES ACT, 1956**

IN THE MATTER OF M/S. GLAXO LABORATORIES (INDIA) PRIVATE LIMITED.

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and the special resolution passed by the Company at its Extra Ordinary General Meeting on the Twenty-Eighth day of June, 1968:

the name of **"GLAXO LABORATORIES (INDIA) PRIVATE LIMITED"** has this day been changed to **"GLAXO LABORATORIES (INDIA) LIMITED"** and that the said Company has been duly incorporated as a Company under the provisions of the said Act.

Dated this **ELEVENTH** day of **JULY, ONE THOUSAND NINE HUNDRED AND SIXTY -EIGHT.**



Sd/-

(V. GOVINDAN)

ASSTT. REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY.

No. 1151

IN THE OFFICE OF THE REGISTRAR OF COMPANIES UNDER ACT
VII OF 1913.

IN THE MATTER OF H.J. FOSTER AND COMPANY LIMITED.

I do hereby certify that pursuant to the provisions of Section 11, sub-section (5), Act VII, 1913 (The Indian Companies Act, 1913), and under order of the Government of Bombay conveyed by their No. 6693/33-D, Finance Department dated the 23rd, November 1949 to the address of

H.J. FOSTER AND COMPANY LIMITED

P.O. Box 202,
Bombay.

the name of H.J. Foster and Company Limited has this day been changed to Glaxo Laboratories (India) PRIVATE Limited and that the said Company has been duly incorporated as a Company under the provisions of the said Act.

Dated this First day of March One thousand Nine Hundred and Fifty.



BEHRAMJI M. MODI,
Registrar of Companies,
Bombay.

CERTIFICATE OF INCORPORATION

I HEREBY CERTIFY that **H. J. FOSTER AND COMPANY LIMITED**, is this day incorporated under the Indian Companies Act, VII of 1913, and that the Company is LIMITED.

Given under my hand at Bombay this Thirteenth day of November One Thousand Nine Hundred and Twenty-four.

H.C.B. MITCHELL,
Registrar of Companies

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MEMORANDUM OF ASSOCIATION

OF

GlaxoSmithKline Pharmaceuticals Limited

- * I. The name of the Company is GlaxoSmithKline Pharmaceuticals Limited.
- II. The registered office of the Company will be situate in the State of Maharashtra of India.
- ** III. The objects for which the Company is established are:

(A) MAIN OBJECTS TO BE PURSUED BY THE COMPANY

- (1) To carry on all or any of the businesses of manufacturing chemists, wholesale and retail druggists, importers, exporters and manufacturers, makers, refiners, processors or formulators of, and traders and dealers in, pharmaceutical, medicinal, chemical, biological, immunological, contraceptive and therapeutic preparations, substances, materials and articles of all kinds and classes whether simple, compound or otherwise and whether proprietary or otherwise, and materials, dressings, apparatus and contrivances of every description and for any purpose, including in particular but without limiting the generality of the foregoing scientific, medical, dental, veterinary, agricultural, horticultural, fishery and forestry purposes, surgical and scientific instruments and appliances.
- (2) To carry on business as manufacturers of, and dealers in, foods for infants and invalids, dietetic foods, cereals and foodstuffs of all descriptions for human and animal use; tonics, beverages, and other restoratives or foods, suitable or deemed to be suitable for invalids and convalescents and/ or for the general public.
- (3) To manufacture, produce, refine, process, formulate, buy, sell, export, import or otherwise deal in all classes and kinds of chemicals including, without limiting the generality of the foregoing, laboratory and scientific chemicals, chemicals of any nature used or capable of being used in the pharmaceutical industry, agricultural chemicals, fertilisers, petrochemicals, industrial chemicals or any mixtures, derivatives and compounds, thereof.
- (4) To carry on business as laboratory proprietors, breeders, importers and exporters of, and dealers in, live or dead animals; to act as analytical and consulting chemists, and to under take analytical and research work of any kind.

- (5) To carry on business as producers and manufacturers of, and dealers in, and importers and exporters of dairy, farm and garden produce, provisions, stores and merchandise of all kinds and in particular milk, casein and its allied products, condensed milk, preserved milk, dried milk, concentrated milk and all products and substances if any description derived from the manipulation or treatment of milk in any manner whatsoever, cream, butter, cheese, ghee, poultry, game, eggs, fruits, vegetables, timber, salt, paper and packing materials.
- (6) To carry on business as manufacturers of, and dealers in, all kinds of cosmetics, perfumes and essences, dentifrices, lotions, extracts, greases, salves, ointments, pomades, powders, unguents, toilets requisites and preparations, cleansing compounds, starch, soda, water softeners and all kinds of laundry and washing material, detergents, glycerins, soaps, flavorings and all products and supplies and any manner used in, or incidental to, the manufacture, dealing or production of the same or any of them.

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

- (1) To acquire the recipes and full information as to the processes of manufacturing, and the right to manufacture and deal in, pharmaceutical and medicinal preparations of all kinds.
- (2) To enter into contracts, agreements and arrangements with any other company for the carrying out by such other company on behalf of the Company of any of the objects for which the Company is formed.
- (3) To carry on business as importers, exporters, buyers and sellers of, and merchants and dealers in, and manufacturers of merchandise, goods, materials and machinery of all kinds, spare parts, accessories and equipments.
- (4) In conformity with the object specified herein to carry on any other business (whether manufacturing or other wise), which may seem to the Company capable of being conveniently carried on in connection with any business of the Company or which it may be advisable to undertake with a view to developing, rendering profitable or valuable, prospecting or turning to account, any property, real or personal or rights, belonging to the Company, or in which the Company may be interested.
- (5) To manufacture, buy, sell, exchange, refine, repair, alter, improve, convert, manipulate, prepare for market, import, export and otherwise deal in, all kinds of plants, machinery, apparatus, tools, utensils, receptacles, substances, materials, articles and things necessary or convenient for carrying on any of

the businesses or processes of the Company or usually dealt in by persons engaged in like businesses or processes or which may be required by any customers or persons having dealings with the Company and whether such articles belong to the Company or not.

- (6) To act as stockists, commission agents, manufacturing representatives or agents, selling and purchasing agents, distributors, brokers, trustees, attorneys, and generally to undertake and carry out agency work of any kind whatsoever for any other company, firm, corporation or person and to act as secretaries and treasurers or managing agents of any firm, company or body corporate.
- (7) To undertake the custody of merchandise, goods and materials and any secretarial, accountancy, clerical or similar work.
- (8) To carry on business as insurance brokers and agents in respect of all classes of insurance, including marine, fire, accident, burglary, workmen's compensation, indemnity and motor, in connection with the property of the Company or of the person or property of its employees.
- (9) To carry on business as financiers, capitalists, commercial agents, mortgage brokers, financial agents and advisers.
- (10) To let on lease or on hire-purchase system or to lend or otherwise dispose of any property belonging to the Company, and to finance the purchase of any article or articles, whether made by the Company or not, by way of loans, or by the purchase of any such article or articles, and the letting thereof on the hire-purchase system or otherwise howsoever, and to act as financiers generally.
- (11) To acquire and undertake the whole or any part of the businesses, property and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on, or possessed of property suitable for the purposes of this Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
- (12) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (13) To establish branches or appoint agencies for or in connection with any of the objects of the Company, to carry on any business or branch of a business which this Company is authorised to carry on by means, or through the agency of, any subsidiary company or companies, and to enter into any

arrangement with 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.

- (14) To purchase, take on lease or in exchange, hire or otherwise acquire any immovable or movable property, and any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade, and either to retain any property so acquired for the purposes of the Company's business or to turn the same to account as may seem expedient.
- (15) To construct, improve, maintain, develop, work, manage, carry out or control any buildings, factories or works, or any roads, ways, warehouses, and conveniences of all kinds which may seem calculated, directly or indirectly, to advance the Company's interests and to contribute to, subsidise or otherwise assist or take part in the Construction, improvement, maintenance, development, working, management, carrying out or control thereof.
- (16) To carry on business as estate agents and to manage land, buildings, and other property, whether belonging to the Company or not, and to let any portion of any premises for residential, trade or business purposes, or other private or public purposes.
- (17) To lend and advance money or to 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 by any such persons or companies and generally to give guarantee and indemnities.
- (18) To apply for, purchase, or otherwise acquire and protect and renew in any part of the world any patents, patent rights, brevets d'invention, trade marks, designs, Licences, concessions, and the like conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated, directly or indirectly, to benefit the Company, and to use, exercise, develop or grant Licences in respect of or otherwise turn to account the property, rights, or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
- (19) To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental work shops for scientific and

technical research and experiments and to undertake and carry on with all scientific and technical researches, experiments, and tests of all kinds and to promote studies and research, both scientific and technical, investigations and invention by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the remunerations of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise, and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.

- (20) To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals, and by granting prizes, rewards and donations.
- (21) To enter into any arrangement with any Government, or authority supreme, municipal, local or otherwise, or any person or company that may seem conducive to the Company's objects or any of them, and to obtain from any such Government or authority person or company rights, any privileges, charters, contracts, Licences and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply therewith.
- (22) To apply for, promote, obtain any Act, charter, privilege, concession, Licence, authorisation of any Government, State or Municipality, provisional order or Licence of any authority for enabling the Company to carry any of its objects into effect, or for extending any of the powers of the Company, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly, to prejudice the Company's interest.
- (23) To improve, manage, develop, sell, exchange, lease, mortgage, grant Licences, easements and other rights over and in any other manner deal with, turn to account or dispose of, the undertaking, property, assets, rights and effects of the Company, or any part thereof, for such consideration as the Company may think fit, and in particular for shares, debentures, or securities of any other company.
- (24) To amalgamate, enter into any partnership or partially amalgamate with or acquire an interest in the business of any other company, person or firm carrying on or engaging in or about to carry on or engage in any business or transaction included in the objects of the Company, or enter into any arrangement for sharing profits or losses or for any union of interest,

joint venture, reciprocal concession or for co-operation, or for mutual assistance, with any such person, firm or company, or to acquire and carry on any other business (whether manufacturing or otherwise) auxiliary to the business of the Company or connected therewith or which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property, and to give or accept by way of consideration for any of the acts or things aforesaid, or property acquired, any shares, debentures, debenture-stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture-stock or securities so received.

- (25) To underwrite, acquire, take up and hold shares, stocks, debentures, debenture-stock, bonds, obligations and securities by original subscription or otherwise issued or guaranteed by any company constituted or carrying on business in India or in any foreign country, and debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any Government, Sovereign Ruler, Commissioners, public body or authority supreme, municipal, local or otherwise, whether at home or abroad and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
- (26) To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such other company.
- (27) To make donations to such persons or institutions and in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the company's objects or otherwise expedient, and in particular to remunerate any person or corporation introducing business to the Company and to subscribe contribute or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national, public or political or other institutions, objects or for any exhibition or for any public, general or other objects and to establish and support or aid the establishment and support of associations, institutions, funds, trusts, and convenience for the benefit of the employees or ex-employees (including Directors) or of persons having dealings with the Company or the dependents, relatives or connection 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 a lump sum and to make payments towards insurance, and to form and contribute to provident and benefit funds of or for such persons.

- (28) To refer or agree to refer any claims, demands, disputes or any other question, by or against the Company, or in which the Company is interested or concerned, and whether between the Company and the member or members or his or their representatives, or between the Company and third party, to arbitration in India or at any place outside India, and to observe and perform and do all acts, deeds, matters and things to carry out or enforce the awards.
- (29) To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital including brokerage and commissions for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
- (30) To invest and deal with the moneys of the Company in such manner as may from time to time be determined.
- (31) To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, or debenture-stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.
- (32) To undertake and execute any trusts the undertaking of which may seem to the Company desirable and either gratuitously or otherwise.
- (33) To draw, make, accept, endorse, discount, execute, and issue bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.
- (34) To pay for any rights or property acquired by the Company and to remunerate any person or company for services rendered, or to be rendered in placing or assisting to place or guaranteeing the placing of shares in the Company's capital or any debentures, debenture stock, or other securities of the Company or in or about the formation or promotion of the Company, or the acquisition of property by the Company, or the conduct of its business whether by cash payment or by the allotment of shares, debentures or other securities of the Company, credited as paid up in full or in part or otherwise.
- (35) To distribute among the members in specie any property of the Company or any proceeds of sale or disposal of any property of the Company but so

VIII

that no distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.

- (36) To insure the whole or any part of the property of the Company either fully or partially; to protect and indemnify the Company from liability or loss in respect either fully or partially and also to insure and to protect and indemnify any part or portion thereof either on mutual principle or otherwise.
- (37) To carry out in any part of the world all or any part of the foregoing objects as principals, agents, factory trustee, contractor, or otherwise either alone or in conjunction with any other person, firm, association, corporate body, municipality, province, state, body politic or government or colony or dependency thereof.
- (38) To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all states, territories, possession, colonies and dependencies thereof and in any or all foreign countries and for this purpose to have and maintain and to discontinue such number of offices and agencies therein as may be convenient.
- (39) To procure the Company to be registered or recognised in any part of the world.
- (40) To do all or any of the above things either as principals, agents, trustees, contractors or otherwise, and by or through agents, sub-contractors, trustees or otherwise, and either alone or in conjunction with others, and
- (41) To do all such other things as may be incidental or conducive to the attainment of the above objects.

(C) OTHER OBJECTS OF THE COMPANY NOT INCLUDED IN (A) AND (B) ABOVE

- (1) To carry on the business of manufacturers of, and dealers in, disinfectants, vermifuges, fungicides, insecticides, pesticides and remedies of all kinds for agricultural, fruit-growing or other purposes or as remedies for humans or animals and whether produced from vegetable or animal matter or by any chemical process.
- (2) To carry on business as manufacturers of, and dealers in, chocolates, sweets, confectioneries, biscuits, chewing gum, tea, cocoa, coffee, sugar, food-stuffs, eatables and refreshments of all descriptions.

- (3) To carry on business as manufacturers of, and dealers in, dyes, dyestuffs, dyewares, gases, plaster of Paris, gypsum, plasters, salts, acids, alkalies, tannins, essences, cordials, oils, paints, isinglass, colours, glues, gums, pasters, pigments, varnishes, organic or mineral inter mediates, compositions and laboratory reagents.
- (4) To buy, sell, manufacture, refine, prepare and deal in all kinds of oils and oleginous and saponaceous substances and all kinds of unguents and ingredients.
- (5) To carry on business as manufacturers of, and dealers in, paper of all kinds and packaging materials and articles made from paper or pulp or otherwise.
- (6) To carry on business as manufacturers, importers, exporters of, and dealers in, scientific, laboratory, technical, pharmaceutical pressed glassware, kitchenware, bottles, flasks, stoppers, tumblers, mirrors and other varieties of glassware.
- (7) To search for, get, win, work, raise, make merchantable, buy, sell or otherwise deal in metals, minerals, oil, gases, and fuels whether found in a natural state or obtained by processing from other substances, and to carry on business relating to the winning, production, working, manufacture and preparation of any materials used in the manufacture of any of the above mentioned items or which may usefully or conveniently be combined with the manufacturing or engineering business of the Company or any contracts undertaken by the Company and either for only such purposes or as an independent business.

And it is hereby declared that the word "Company" (save when used in reference to this Company) in this clause shall be deemed to include any partnership or other body of persons, whether incorporated or not and wherever domiciled, and the intention is that the objects set forth in any sub-clause of this clause shall receive the widest construction and that the objects set forth in each sub-clause of this clause shall be independent and shall be in nowise limited or restricted by a reference to or inference from the terms of any other sub-clause or by name of the Company. None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in the first sub-clause of this clause, but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and notwithstanding that the business, undertaking, property or acts, proposed to be transacted, acquired, dealt with or performed do not fall within the objects to the first sub-clause of this clause.

IV. The liability of the Members is limited.

V. **** The Authorized share capital of the Company is Rs. 180,00,00,000/- divided in to 18,00,00,000 equity Shares of Rs. 10/- each, with rights, privileges and conditions as set out in the Company's Articles of Association with power

from time to time to issue any shares of the original or new capital with any preference or priority in the payment of dividends or the distribution of assets, or otherwise over any other shares, whether ordinary or preference and whether issued or not, and to vary the regulations of the Company as far as necessary to give effect to any such preference or priority and upon the sub-division of a share, to apportion the right to participate in profits or surplus assets, or the right to vote in any manner as between the shares resulting from such sub-division.

*** VI Glaxo Group Limited, a corporation organised and existing under the laws of the United Kingdom and having its registered office at Clarges House, 6/12 Clarges Street, London, W.1 , England, United Kingdom (hereinafter referred to as “Glaxo Group”), and its successors and assigns shall, upon its ceasing to hold at least 51 per cent of the issued and paid up equity share capital of the Company or upon its ceasing to possess majority ownership or actual control of the Company, for any reason whatsoever, be entitled by a written notice to the Company to call upon the Company to discontinue use of the word “GLAXO” in any form or manner as a part of its corporate or trade name and to change its name in such manner as to delete the word “GLAXO” appearing in the name of the Company and the Company shall within one hundred and twenty days from the date of receipt of such notice (a) discontinue use of the word “GLAXO” as part of its corporate or trade name and (b) take all such steps as may be necessary for the purpose of changing its name as aforesaid. Any new corporate or trade name which the Company may adopt shall not consist of any word or expression substantially similar to the word “GLAXO”. All shareholders of the Company shall be deemed to have undertaken to exercise their rights as shareholders and specially their voting rights in such manner as would enable the Company to comply with or implement the provisions of this Clause and shall be deemed to have joined the Company on this basis.

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

| Names, Addresses and Description of Subscribers | Number of shares taken by each Subscriber. |
|--|--|
| HERBERT J. FOSTER, by his attorney, T.E. GRANT. | 1 C. Share |
| J. W. BUCK, 22, Altamount Road, Bombay. Merchant | 1 C. Share |

Dated the Twelfth day of November 1924.

Witness to all the above signatures:

C.N. KARMARKAR

- ** CLAUSE III was altered to read as above by a Special Resolution passed at the Extraordinary General Meeting of shareholders of the Company held on 18th April 1968, which alterations were confirmed on 24th June 1968 by the High Court of Judicature at Bombay in Company Petition No. 48 of 1968. The Assistant Registrar of Companies, Maharashtra, Bombay, vide his Certificate given on 8th August 1968, has certified the said alterations as having been duly registered under section 18(1) of the Companies Act, 1956.
- *** Clause VI added by a Special Resolution passed at the Extraordinary General Meeting of shareholders of the Company held on 18th April 1968.

Clause VI deleted by a Special Resolution passed at the Annual General Meeting held on 4th December 1986.

- * Special Resolution passed at the Extraordinary General Meeting of the shareholders of the Company held on 28th June, 1968.

“RESOLVED THAT with effect from the 1st day of July, 1968, the name of the Company be changed from ‘**Glaxo Laboratories (India) Private Limited**’ to ‘**Glaxo Laboratories (India) Limited**.’”

- * Special Resolution passed at the Annual General Meeting of the Shareholders of the Company held on 4th December 1986.

“RESOLVED THAT subject to the approval of the Central Government, the name of the Company be changed from ‘**Glaxo Laboratories (India) Limited**’ to ‘**Glindia Limited**’ and immediately upon the said change in the name of the Company becoming complete and effective, the new name be substituted for the existing name wherever it appears in the Memorandum and Articles of Association of the Company.”

- * Special Resolution passed at the Extraordinary General Meeting of the Shareholders of the Company held on 16th June 1989.

“RESOLVED THAT subject to the approval of the Central Government, the name of the Company be changed from ‘**Glindia Limited**’ to ‘**Glaxo India Limited**’ and immediately upon the said change in the name of the Company becoming complete and effective, the new name be substituted for the existing name wherever it appears in the Memorandum and Articles of Association of the Company.”

- * Clause 13 of Scheme of Arrangement between SmithKline Beecham Pharmaceuticals (India) Limited and its members and Glaxo India Limited and its members.

Change of Name:

“On the Scheme of Amalgamation being sanctioned by the High Courts at Bangalore and at Bombay, as an integral part of the Scheme and without any further act or deed and without following the procedure laid down under the Act, for the purpose, the name of the Transferee Company shall stand changed to “**GlaxoSmithKline Pharmaceuticals Limited**” and the same shall be substituted for the existing name wherever it appears in the Memorandum and Articles of Association of the Transferee Company.”

**** Clause V amended vide Special Resolution passed through Postal Ballot by the Shareholders of the Company on 5th September 2018.

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

GlaxoSmithKline Pharmaceuticals Limited

PRELIMINARY

1. The regulations contained in Table F in the First Schedule to the Companies Act, 2013 shall not apply to this Company, but the regulations for the management of the Company and for the observance by the Members thereof and their representative shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to its regulations by Special Resolution, as prescribed by the said Companies Act, 2013, be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013.

Table F not to apply but Company to be governed by these Articles

INTERPRETATION

2. In the interpretation of these Articles, the following words and expression shall have the following meanings, unless repugnant to the subject or context:

Interpretation Clause

“The Act” or “The said Act” means the Companies Act, 2013 as amended upto date or other Act or Acts for the time being in force in India containing the provisions of the legislature in relation to Companies.

“The Act or the Said Act”

“The Board” or “The Board of Directors” means a meeting of the Directors duly called and constituted or, as the case may be, the Directors assembled at a Board or the requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles.

“The Board “ or “The Board of Directors”

“The Company” or “This Company” means GlaxoSmithKline Pharmaceuticals Limited.

“The Company”

“Alter” and “Alteration” shall include the making of additions, omissions, insertion, deletion and substitutions.

“Alter”

“Auditors” means and includes those persons appointed as such for the time being by the Company.

“Auditors”

“Beneficial Owner” means a person whose name is recorded as such with a depository.

“Beneficial Owner”

“Books and Record” includes the records maintained in the form as may be determined by Regulations; whether in physical or electronic forms.

“Books and Record”

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| “Bye-Laws” | “Bye-Laws” means bye-laws made by a depository under Section 26 of the Depositories Act, 1996. |
| “Capital” | “Capital” means the share capital for the time being, raised or authorized to be raised, for the purpose of the Company. |
| “Depository” | “Depository” means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996 |
| “Depositories Act” | “Depositories Act” means the Depositories Act, 1996, including any statutory modification or re-enactment thereof for the time being in force. |
| “Debenture” | “Debenture” shall have the same meaning as given under Section 2(30) of the Act. |
| “Directors” | “Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board. |
| “Dividend” | “Dividend” includes bonus. |
| “Gender” | Words importing the masculine gender also include the feminine gender. |
| “In Writing” and “Written” | “In Writing” and “Written” include printing, lithography and other modes of representing or reproducing words in a visible form. |
| “Legal Representative” | “Legal Representative” means a person who in law represents the estate of a deceased Member. |
| “Member” | “Member” means the duly registered holder from time to time of the shares of the Company and includes the subscribers to the Memorandum and Articles of Association of the Company and Person(s) whose name(s) is/are entered as beneficial owner in the records of the Depository. |
| “Meeting” or “General Meeting” | “Meeting” or “General Meeting” means a meeting of members. |
| “Annual General meeting” | “Annual General meeting” means a general meeting of the members held in accordance with the provisions of Section 96 of the Act. |
| “Extra Ordinary General meeting” | “Extra Ordinary General meeting” means an Extra Ordinary General meeting of the member duly called and constituted and any adjournment thereof. |
| “Month” and “Calendar month” | “Month” means a period of thirty days and a “Calendar month” means an English Calendar Month. |
| Independent Director | “Independent Directors” shall have the meaning assigned thereto by Section 149 (6) of the Act. |

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| “Office” means the registered office for the time being of the Company. | “Office” |
| “Ordinary Resolution” and “Special Resolution” shall have the meaning assigned thereto by Section 114 of the Act. | “Ordinary Resolution” & “Special Resolution” |
| “Paid Up capital” means such aggregate amount of money credited as paid up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called. | “Paid Up capital” |
| “Person” includes an individual, an association of persons or body of individuals, whether incorporated or not and a firm. | “Person” |
| “Promoter” means a person – | “Promoter” |
| <p>(a) who has been named as such in the prospectus or is identified by the Company in the annual return referred to in Section 92 of the Act; or</p> <p>(b) who has control over the affairs of the Company, directly or indirectly whether as Shareholder, Director or otherwise; or</p> <p>(c) in accordance with whose advice, directions or instructions the Board of Directors of the Company is accustomed to act:</p> | |
| Provided that nothing in sub clause (c) shall apply to a person who is merely acting in a professional capacity. | |
| “Register of Members” means the Register of Member to be kept in pursuant to the provisions of the Act. | “Register of Members” |
| “Register and Index of beneficial owners” maintained by a depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members for the purposes of the Act and these Articles. | “Register and Index of beneficial owners” |
| “The Registrar” means the Registrar of Companies of the state in which the registered office of the Company is for the time being situated. | “Registrar” |
| “Related Party” shall have the meaning assigned thereto by Section 2 (76) of the Act. | “Related Party” |
| “Relative” shall have the same meaning as prescribed under the Act. | “Relative” |
| “Financial Statements” shall have the same meaning as prescribed under the Act. | “Financial Statements” |

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| “These Presents” or “Regulations” or “Articles” or “Articles of Association” | “These Presents” or “Regulations” means these Articles of Association as originally framed or altered from time to time and includes the Memorandum where the context so requires. |
| “Seal” | “Seal” means the Common Seal for the time being of the Company. |
| “SEBI” | “SEBI” means the Securities and Exchange Board of India. |
| “Secretary” | “Secretary” means a Company Secretary as defined in clause (c) of Sub Section (1) of Section 2 of the Companies Secretaries Act, 1980 who is appointed by the Company to perform the functions of a Company Secretary under the Act. |
| “Security” | “Security” means shares, debentures and such other security as may be specified by the SEBI from time to time. |
| “Share” | “Share” means share in the share capital of the Company and includes stock. |
| “Singular Number” | Words imparting the singular number include the plural number. |
| “Year” and “Financial year” | “Year” means the “Calendar year” and “Financial year” shall have the meaning assigned thereto by Section 2(41) of the Act. |
| “Words and Expressions defined in the Act” | Subject aforesaid, any words and expressions defined in the said Act as modified up to the date on which these Articles become binding on the Company shall, except where the subject or context otherwise require, bear the same meanings in these Articles. |
| “Marginal notes” | The “Marginal notes” here to shall not effect the construction hereof. |

CHANGE OF CORPORATE NAME UNDER CERTAIN CIRCUMSTANCES

Change of Corporate name under certain circumstances

3. The Company has entered into an Agreement dated the 20th day of April 1989 with Glaxo Group Limited (Group), a copy of which for convenience, is annexed hereto and the same shall form and be treated as part of these Articles.

Under the said Agreement, it is, inter alia, agreed that Group shall by giving notice to the Company as provided in the Agreement, be entitled to revoke the Licence and permission granted to the Company to use the word “GLAXO” as part of its Corporate name or terminate the Agreement or the Agreement determining as therein provided whereupon the Company shall forthwith take steps in this behalf and shall, inter alia, within one hundred and eighty days, or within three hundred and sixty-five days in certain circumstances, from the date of receipt of such notice.

- (i) discontinue the use of end of the word “GLAXO” as part of changing its Corporate or trade name or business or trading style, and

- (ii) take all such steps as may be necessary for the purpose of changing its Corporate name as aforesaid. Any new Corporate name, trade name, business or trading style which the company may adopt shall not consist of or include any word or expression which in the opinion of Group bears any resemblance or similarity to or is likely to be confused with the word "GLAXO."

The terms and conditions contained in the Agreement shall constitute an integral part of these Articles, and nothing contained in these Articles shall affect the said Agreement. This Article shall be binding on both the Company and the Members and all the Members of the Company shall be deemed to have undertaken to exercise their rights as Members and specially their voting rights in such manner as would enable the Company fully to comply with, effectuate and implement the provisions of the Agreement and of this Article, and every Member shall be deemed to have joined the Company on the foregoing basis.

SHARE CAPITAL

*4. (a) The Authorised Share Capital of the Company shall be as stated in clause V of the Memorandum of Association of the Company. Amount of Capital

(b) The Company has power from time to time to increase or reduce its Capital and to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such right, privilege, conditions or restrictions in such manner as may for the time being be permitted by the Articles of Association of the Company or the legislative provisions for the time being in force in that behalf.

5. Subject to the provisions of the Act and these Articles, the Board shall have power to issue warrants or other instruments which may entitle the holders thereof to subscribe to equity shares or Convertible Debentures at a price and on such terms and conditions as the Board may deem fit.

6. Subject to the provisions of the Act and in particular Article 87 of these Articles, the shares in the Capital of the Company for the time being (including any share forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such person 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 and proper, and with full power to give to any person the option to be allotted shares of the Company either at par or at a premium, such option being exercisable at such time and for such consideration as the Directors think fit. Provided that the option or right to call on shares shall not be given to any person or persons without the sanction of the Company in Board meeting. Shares under the control of Directors

*Clause 4 amended vide Special Resolution passed through Postal Ballot by the Shareholders of the Company on 5th September 2018.

Power of General Meeting to offer shares to such persons as the Company may resolve

7. Subject to Section 62 and 42 of the Act, and without derogating from the power for that purpose conferred on the Directors under Article 8, the Company in general meeting may, by special resolution, determine to issue further shares out of the authorised but unissued capital of the Company and may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium or at par, as such general meeting shall determine and with full power to give any person (whether a member or holder of debentures of the Company or not) option to be allotted shares of any class of the Company either at a premium or at par. Such option is exercisable at such general meeting of the Company and the Company may make any other provisions whatsoever for the issue, allotment or disposal of any shares, subject to any direction given by the general meeting as aforesaid and the provisions of Article 79 hereof shall apply to any issue of new shares.

Directors may allot shares as fully paid up

8. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company in payment or part payment for any part payment for any property or assets of any kind whatsoever (including the goodwill of any business) sold or transferred or goods or machinery or know-how supplied or for services rendered to the Company either in or about the formation or promotion of the Company or 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 aforesaid. The Directors shall cause returns to be filed of any such allotment as provided by Section 39 of the Act.

Unclassified shares

9. Any unclassified shares of the Company for the time being (whether forming part of the original capital or of any increased capital of the Company), may be issued either with the sanction of the Company in General Meeting or by the Board, with such rights and privileges annexed thereto and upon such terms and conditions as the General Meeting sanctioning the issue of such shares may direct, and if no such direction shall be given and in all other cases as the Directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the company and preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.

Acceptance of Shares

10. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is entered on the register of members shall for the purpose of these articles be a member.

Company not bound to recognize any interests in shares other than that of the registered holder

11. Except when required by law and in particular by Section 89 of the Act, or ordered by a Court of competent jurisdiction, the Company shall not be bound to recognize any person as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way to recognise (even when having

notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles or as ordered by a court of competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

12. The Company shall be entitled to treat the person whose name appears on the register of members as the holder of any Shares or other securities or whose name appears as the Beneficial owner of shares or other securities in the records of Depository, as the absolute owner thereof.

Shareholder

13. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposits, call or otherwise in respect of any shares allotted by them shall, immediately on the insertion of the name of the allottee in the Register of members as the holders of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Deposit and calls etc. to be a debt payable immediately

14. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

Installments on shares to be duly paid

15. None of the funds of the Company shall be applied in the purchase of any shares of the Company and itself not give any financial assistance for or in connection with the purchase of subscription of any shares in the Company or its holding Company save as provided by Section 67 of the Act.

Funds of Company shall not be applied in purchase of shares of the Company

15. (a) The Company shall have a power, subject to and in accordance with all applicable provisions of the Act to acquire/purchase and hold or resell any of its, fully or partly paid Shares on such terms and conditions and upto such limits as may be determined by the Board or prescribed by law from time to time and make a payment out of capital in respect of such acquisition/purchase.

UNDERWRITING AND BROKERAGE

16. The Company may, subject to the provisions of Section 40(6) and other applicable provisions (if any) of the Act and rules made thereunder, at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the Company so that the amount or rate of commission does not exceed in the case of shares, 5% of the price at which the shares are issued and in the case of debentures 2½ % of the price at which the debentures are issued. The Commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

Commission for placing shares, debentures etc.

SHARE CERTIFICATES

Share Certificate

17. The certificates of title to the shares shall be issued under the seal of the Company which shall be affixed in the presence of and signed by (i) two Directors duly authorized by the Board of the Company for the purpose or the committee of the Board, if so authorized by the Board (provided that if the composition of the Board permits one of the aforesaid two Directors shall be a person other than the managing or whole-time Director) and (ii) the Secretary or some other person appointed by the Board for the purpose. Particulars of every share certificate issued shall be entered in the Register of Members against the said person to whom it has been issued indicating the date of issue. A Director shall be deemed to have signed the share certificate if his signature is printed thereon as a facsimile signature by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, or digitally signed, but not by means of a rubber stamp, provided that the Director shall be personally responsible for permitting the affixation of his signature thus and the safe custody of such machine equipment or other material used, for the purpose. Provided always that notwithstanding anything contained in this Article, the certificates of title to shares may be executed and issued in accordance with such other provisions of the Act, or the rules made there under, as may in force for the time being and from time to time.

DEMATERIALISATION OF SECURITIES

Dematerialization of Securities

18. (a) Notwithstanding anything contained in these Articles and as provided under Section 29 of the Act, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialized form pursuant to Depositories Act, 1996 and the rules framed thereunder.

(b) Securities in depositories to be in fungible form :

- (i) All securities held by a depository shall be dematerialized and shall be in fungible form.
- (ii) Nothing contained in Section 89 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(c) Section 45 of Act not to apply :

Notwithstanding anything to contrary contained in the Articles-

- (i) Section 45 of the Act shall not apply to securities held with a depository.
- (ii) Nothing contained in the Act or these Articles regarding the necessity of having distinctive number for securities issued by the Company shall apply to securities held in a depository.

19. Subject to the compliance of the relevant provisions of the Act and the Companies (Share Capital and Debentures) Rules 2014 every member or allottee of share(s) shall be entitled without payment to receive at least one or more certificate in the marketable lot under the seal of the Company for all the shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve, specifying the number of share or shares allotted to him and the amount paid thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or of its fractional coupons of requisite values, save in case of issues against letters of acceptance or of renunciation, or in case of issue of bonus shares. Provided that, if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to seek supporting evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating such evidence, as it may think fit.

Member's right to certificates

OPTION TO RECEIVE SECURITY CERTIFICATES OR HOLD SECURITIES WITH DEPOSITORY

20. (a) Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository.

Option to receive security certificates or hold securities with depository

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

(c) Rights of Depositories and Beneficial Owners :

- (i) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be registered owner for the purposes of effecting transfer of ownership of security on behalf of a beneficial owner.
- (ii) Save as otherwise provided in clause (i) above, the depository as registered owner shall not have any voting rights or any other rights in respect of securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a depository.

(d) Depository to furnish information:

Every depository shall, furnish information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

(e) Notwithstanding anything to the contrary contained in the Articles, where securities are held in a depository, the records of beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

(f) Option to opt out in respect of any security:

- (i) If a beneficial owner seeks to opt out of a depository in respect of any security, he shall inform the depository accordingly.
- (ii) The depository shall on receipt of such intimation make appropriate entries in its records and shall inform the Company.
- (iii) The Company shall, within thirty (30) days of the receipt of intimation from a depository and on fulfillment of such conditions and on payment of such fees as may be specified by the Regulations, issue the certificate of securities to the beneficial owner of the transferee, as the case may be.

Limitation of time for issue of certificates

21. The Company shall, within two months after the allotment of any of its shares, or within six months after allotment of any of its debentures or within one month from the date of receipt of the instrument of transfer or intimation of transmission of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provide and the Company shall otherwise comply with the requirements of Section 56(4) and other applicable provisions (if any) of the Act.

As to issue of new certificate in place of those defaced, lost or destroyed.

22. (a) No Certificate(s) of any share or shares or debenture or debentures shall be issued either in exchange for those which are subdivided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or rendered useless from any cause whatsoever, or where the cases on the reverse for recording transfers have been fully utilized, unless the certificate in lieu of which they are issued are surrendered to the Company and the Company may charge such fee as the Board thinks fit, not exceeding rupees fifty per certificate.

(b) No duplicate certificates shall be issued in lieu of those that are lost or destroyed without the prior consent of the Board and without payment of such fees as the Board thinks fit, not exceeding rupees fifty per certificate and on such reasonable terms, if any, as to evidence of such loss or destruction and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence as the Board thinks fit.

(c) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and be recorded in the Register maintained for the purpose that it is "Issued in lieu of share certificate No. _____ sub-divided /replaced/ on consolidation"

(d) Where a new share certificate has been issued in pursuance of clause (b) of this Article, it shall be stated prominently on the face of it and be recorded in the Register maintained for the purpose, that it is “Duplicate issued in lieu of Share Certificate No._____”. The word “Duplicate” shall be stamped or printed prominently on the face of the share certificates. The duplicate share certificates shall be issued within a period of fifteen days, from the date of submission of complete documents with the Company.

(e) Where a new share certificate has been issued in pursuance of clause (a) or clause (b) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate including against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members of suitable cross reference in the “Remarks” column. All entries made in the Register of Renewed and Duplicate Share Certificates shall be authenticated by the Company Secretary or such other person as may be authorised by the Board for the purposes of sealing and signing the share certificate.

(f) All blank forms to be issued for share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank form shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose, and the Secretary or other persons aforesaid shall be responsible for rendering an account of these forms to the Board.

(g) The following persons shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates, including the blank forms of share certificates referred to in clause (f) of this Article:

- (i) the committee of the Board, if so authorized by the Board or where the Company has a Company Secretary, the Company Secretary; or
- (ii) where the Company has no Company Secretary, a Director specifically authorised by the Board for such purpose

(h) All the books referred to in clause (g) of this Article shall be preserved in good order not less than thirty years and in case of disputed cases, shall be preserved permanently and documents.

23. Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Directors in that behalf.

Endorsement of certificate

24. The Board shall comply with requirements prescribed by any rules made pursuant to the said Act relating to the issue and execution of share certificates.

Directors to comply with rule

CALLS

Board may make calls

25. The Board of Directors may from time to time, (by a Resolution passed at the meeting of the Board and not by Circular Resolution) but subject to the conditions hereinafter mentioned, make such calls as they think fit, upon the members in respect of all monies unpaid on the shares held by them respectively (whether on account of the capital value of the shares or by way of premium) and which are not by the condition of the allotment, made payable at fixed times and each members shall pay the amount of every call so made on him to the persons and at the times appointed by Directors. A call may be made payable by installment. The call may be revoked or postponed at the discretion of the Board.

Calls on shares of same class to be made on uniform basis

26. Where any calls are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, share of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

Notice of Calls

27. At least thirty days' notice of every call, otherwise than an allotment, shall be given specifying the time of payment, provided that before the time for payment of such call the Directors may, by notice in writing to the members, revoke the same.

Call to date from Resolution

28. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by those members whose names appear on the Register of Members on such date, or, at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.

Directors may extend time

29. The Directors may from time to time, at their discretion extend the time for the payment of any call and may extend such time as to payment of call for any of the members the Directors may deem entitled to such extension save as a matter of grace and favour.

Amount payable at fixed time or by installments as calls

30. If by the terms of issue of any shares, any amounts are made payable at any fixed time or by installment at fixed times (whether on account of the nominal amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.

When interest on call or installment payable

31. If the sum payable in respect of any call or installments be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share(s) in respect of which a call shall have been made or the installments shall be due shall pay interest on the same at such rate as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

32. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder 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 principle or interest nor any indulgence granted by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as hereinafter provided.

Judgment decree of partial payment not to preclude forfeiture

33. Subject to the provisions of the Act and these Articles on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares money is sought to be recovered that the resolution making the calls duly recorded in the minute book, and that notice of such calls was duly posted to the members or his representative in pursuance of these presents, and it shall not be necessary to prove the appointment of the Directors who made such call nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Evidence of forfeiture

34. The Directors may, if they think, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the moneys so paid in advance or so much thereof as from time to time the amount of calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the member paying such sum in advance and the directors agree upon and the Company may at any time repay the amount so advanced either by agreement with a member or otherwise upon giving to such member three months' notice in writing. No member paying any sum in advance shall be entitled to participate in profits or dividend or to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

Proof on trial of suit for money due on shares

FORFEITURE, SURRENDER, LIEN

35. If any member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principle or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof of other money as aforesaid remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (Legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

If call or installment not paid notice may be given

36. The Notice shall name a day (not being less than 14 days from the date of the notice) on or before which and the place or place at which such call, installment or such part thereof and such other moneys as aforesaid and such interest and expenses as aforesaid are to be paid, and if payable to any person other than the

Terms of notice

Company, the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other than the Company) at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

Shares to be forfeited in default of payment

37. If the requirements of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given may, at any time thereafter but before payment of all calls or installments, interest and expenses and other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Entry of forfeiture in register of members

38. When any shares shall have been so forfeited, an entry of the forfeiture, with the date thereof, shall be made in the Register of Members and notice of the forfeiture shall be given to the member in whose name they stood immediately prior to the forfeiture but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any entry as aforesaid.

Forfeited shares to be property of the Company and may be sold etc.

39. Any shares so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.

Directors may annul forfeiture

40. The Directors may, at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

Shareholders still liable to pay money owing at the time of forfeiture and interest.

41. Any person whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest, expenses and other moneys owing upon or in respect of such shares at the time of forfeiture together with interest thereon from the time of the forfeiture until payment at such rates as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of forfeiture but shall not be under any obligation to do so.

Effect of forfeiture

42. The forfeiture of a share shall involve the extinction at the time of the forfeiture of all interest and claims and demands against the Company in respect of the shares forfeited and all other rights incidental to the share, except only such of those rights as by these presents are expressly saved.

Surrender of shares

43. The Directors 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.

Company's lien on shares

44. The Company shall have no lien on its fully paid shares. In the case of partly paid up shares, the Company shall have a first and paramount lien on such shares registered in the name of the each member, whether solely or jointly with others and upon the proceeds of sale thereof for all moneys called or payable at a

fixed time in respect of such shares and whether held solely or jointly with any other person and whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be created except upon the footing and condition that Article 13 is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

45. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made unless the sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his Committee, or other legal representatives as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for fourteen days after the date of such notice. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

As to enforcement of
lien on sale

46. The net proceeds of any such sale, after payment of the costs of such sale, shall be applied in or towards the satisfaction of such debts, liabilities or engagements of such member and 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 such member or the person (if any) entitled by transmission to the shares so sold.

Application of
proceeds of sale

47. A certificate in writing under the hand of a Director, Manager or the Secretary of the Company that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made by a resolution of the Directors to that effect shall be conclusive evidence of the facts stated therein as against all persons entitled to such share.

Certificate of
forfeiture

48. Upon any sale after forfeiture or for enforcing a lien in the exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed off may be registered as the holder of the share and he shall not be bound to sell to the application of the consideration, 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 other disposal of the share and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person.

Title of purchaser
and allottee of
forfeited shares
of shares sold in
exercise of lien

Cancellation of Share Certification in respect of forfeited shares

49. Upon any sale, re-allotment or other disposal under the provisions of the proceeding Articles, the certificate or certificates originally issued in respect of the relevant shares shall (unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

TRANSFER AND TRANSMISSIONS OF SHARES

Form of Transfer

50. The instrument of transfer of any shares shall be in writing and all the provisions of Section 56 of the Act and of any statutory modifications thereof for the time being in force shall be duly complied with in respect of all transfers of shares and the registration thereof.

51. Nothing contained in Section 56 of the Act, shall apply to transfer of securities effected by the transferor and the transferee both of whom are entered as beneficial owner in the record of the Company.

Instrument of transfer to be executed by the transferor and transferee

52. Every such instrument of transfer shall be signed by or on behalf of the transferor and by or on behalf of the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

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

53. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped, dated and executed by or on behalf of the transferor and the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company by the transferor and the transferee within the prescribed period along with the certificate relating to the shares, or if no such share certificate is in existence along with the letter of allotment of the shares. Provided that, where the instrument of transfer has been lost or the instrument of transfer has not been delivered within the prescribed period, the Company may register the transfer on such terms as to indemnify as the Board may think fit.

Directors may refuse to register transfer

54. Subject to the provisions of Section 58 of the Act, the Directors may at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares and shall not be bound to be given any reason for such refusal. In particular, the Company may so decline in respect of shares upon which the Company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that the proposed transferee is already a member. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except as stated hereinabove. The registration of the transfer shall be conclusive evidence of the approval by the Directors of the transferee.

55. The Company may refuse to register the transfer of any of its securities in the name of the transferee on any one or more of the following grounds and on no other ground namely;

(a) that the instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the security has not been delivered to the Company or that any other requirement under the law relating to the registration of such transfer has not been complied with;

(b) that the transfer of the security is in contravention of any law;

(c) that the transfer of the security is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interest or in the interest of the Company or to the public interest;

(d) that the transfer of the security is prohibited by any order of any court, tribunal or other authority under any law for the time being in force.

The transfer of shares, in whatever lot, would not be refused, though there could be no objection to the Company refusing to split a share certificate into several scrip's of small denominations or to consider a proposal for transfer of share comprised in a share certificate to several parties, involving such splitting, if on the face of it such splitting/transfer appears to be reasonable or with a genuine need.

Except as above, the Company would not refuse transfer in violation of the Stock Exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.

56. If the Company refuses to register the Transfer of any share or transmission of any right therein the Company shall, within one month from the date of which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor, to the person giving intimation of transmission along with reasons for such refusal, as the case may be, and thereupon the provisions of Section 58 of the Act, or any statutory modification thereof for the time being in force shall apply.

Notice of refusal to be given to transferor and transferee

57. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be valid as if he had been a member at the time of the execution of the instrument of transfer.

Transfer by legal representative

58. The instrument of transfer after registration shall be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall, on demand, be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with Company for a period of ten years or more.

Custody of Instrument of transfer

59. The Directors shall have power, on giving not less than seven day's previous notice by advertisement as required by Section 91 of Act or such lesser time as may be prescribed by Securities Exchange Board of India, to close the transfer books of the Company, the Register of Members or the Register of Debentures holder as the case may be at such time or times and for such period or periods of

Closure of transfer books

time not exceeding in the whole 45 days in each year and not exceeding 30 days at a time, as to them may seem fit. The minimum time gap between two book closure and/ or record dates would be at least 30 days.

Title of shares of deceased holder

60. The executors or administrators or a holder of a Succession Certificate in respect of the estate of a deceased member, not being one of two or more joint holders shall be the only persons recognized by the Company as having any title to the shares registered in the name of such deceased member and the Company shall not be bound to recognize such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration as the case may be, from a duly constituted Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of Probate or Letters of Administration or Succession Certificate and under the provisions of Article 67 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

Transmission Clause

61. Subject to the provisions contained in Articles 63 and 64 hereof, any person becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, upon producing proper evidence of the grant of Probate or Letter of Administrations or Succession Certificate or such other evidence that he sustains the character in respect of which he purports to act under this Article or of his title to the Shares as the Board think sufficient may, with the consent of the Board (which it shall not be under any obligation to give), be registered as a member in respect of such shares, or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is herein referred to as the transmission Article.

Nomination of Shares

62. (a) (i) Notwithstanding anything contained herein above, every shareholder of the Company, may at any time, nominate, in the prescribed manner, a person to whom his shares in the Company, shall vest in the event of his death.
- (ii) Where the shares in the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares in the Company, shall vest in the event of death of all the joint holders.
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in the Company, the nominee shall, on the death of the shareholder or as the case may be, on the death of the joint holders become entitled to all the rights in such shares, of the holder or, as the case may be, of all the joint holders, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

(iv) Where the nominee is a minor, it shall be lawful for the holder of the shares, to make the nomination to appoint in the prescribed manner, any person to become entitled to shares in the Company, in the event of his death, during the minority.

(b) (i) A nominee may upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either to be registered himself as holder of the share; or to make such transfer of the share as the deceased shareholder, could have made.

Transmission of
Shares by Nominee

(ii) If the nominee elects 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 and such notice shall be accompanied with the death certificate of the deceased shareholder.

(iii) A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share except that he shall not, before being registered as a member in respect of his share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of Company.

Provided further 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 within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share, until the requirements of the notice have been complied with.

63. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer for registration.

Refusal to register in
case of transmission

64. A person entitled to a share by transmission shall subject to the right of the Directors to retain such dividends or moneys as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the shares.

Persons entitled
may receive
dividend without
being registered as
member

65. Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

Board may require
evidence of
transmission

No fee on transfer or transmission

66. The Company shall not charge any fee for registration of transfer or transmission in respect of shares or debentures of the Company.

Company not liable for disregard of a notice prohibiting registration of transfer

67. The Company shall incur no liability or responsibility whatsoever in consequences their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right title or interest (to do such shares notwithstanding that the Company may not have notice of such equitable right, title or interest) or may have received a notice prohibiting registration of such transfer and may have entered such notice as referred thereto in any book of the Company, and save as provided by Section 89 of the Act, the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered and referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors so think fit.

Register of Transfers

68. The Company shall keep a book called the "Register of Transfer" and therein shall be fairly and distinctly entered the particulars of every transfer and transmission of any share in the Company.

COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS

Copies of Memorandum and Articles of Association to be sent by the Company

69. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every member within 7 days of his request and on payment of such sum as may be determined by the Board of Directors.

CONVERSION OF SHARES INTO STOCK

Conversion of shares into stock and reconversion

70. The Company, by ordinary resolution in General Meeting may:

- (a) Convert any fully paid-up shares into stock; and
- (b) Re-convert any stock into fully paid-up shares of any denomination.

Transfer of Stock

71. The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that, the Board may from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of shares from which the stock arose.

Rights of Stock holders

72. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matter, as if they held the shares from which the stock arose but no such privilege or advantage (except as regards dividends, participation in the 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 share, have conferred that privilege or advantage.

73. Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words "Share" and "Shareholders" in these regulations shall include stock and stockholder respectively.

Regulations to apply to stocks

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

74. The Company may from time to time by ordinary resolution in General Meetings increase its share capital by the creation and issue of new shares either by fresh issue of Equity Shares or increase in terms of / by conversion or otherwise of any instruments including warrants, convertible Debentures issued or to be issued in such manner, and of such amount as it thinks expedient. Subject to the provision of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall direct and if no direction be given, as the Directors shall determine. Such shares may be issued with a preferential or qualified right as to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

Increase of Capital

(a) Where, at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on these shares at that date, and such offer shall be made in accordance with the provisions of Section 62 of the Act. Provided that notwithstanding anything hereinbefore contained the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of offer, are holders of the equity shares of the Company in any manner whatsoever, if a special resolution to that effect is passed by the Company in General Meetings.

Right of Equity Shareholders to further issue of Capital

(b) Subject to the provisions of Section 62 and pursuant to the approval of the shareholders granted by way of a special resolution, the Company may issue Warrants or other instruments which may entitle the holders thereof to subscribe Equity Shares and Convertible Debentures on such terms and conditions as the Board may think fit.

(c) Nothing in this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to debentures issued of loans raised by the Company to convert such debentures or loan into shares in the Company or to subscribe for shares in the Company (whether such option is conferred by Article 8 or otherwise) provided that the terms of the issue of such debentures or of such loans include a term providing for such option and such terms have been approved by a Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans as the case may be .

Further issue
of Capital to be
governed by same
rules.

75. (a) Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provision herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting or otherwise.

(b) The Company shall not issue any preference shares which are irredeemable.

(c) The Company may issue preference shares which are liable to be redeemed within a period not exceeding twenty years from the date of their issue subject to following conditions:

- (i) the issue of such shares has been authorized by passing a special resolution in the general meeting of the Company;
- (ii) the Company at the time of such issue of preference shares has no subsisting default in the redemption of preference shares or in payment of dividend due on any preference shares.

Provided further that:

- (i) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption.
- (ii) No such shares shall be redeemed unless they are fully paid.
- (iii) The premium if any, payable on redemption must have been provided for out of the profits of the Company or the Company's share Premium Account before the shares are redeemed.
- (iv) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall out of profits which would otherwise have been available for dividend be transferred to a reserve fund, to be called the 'Capital Redemption Reserve Account' a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were the paid up share capital of the Company.

Reduction of Capital

76. The Company may, subject to the provisions of the Act, from time to time by special Resolution reduce its share capital and any Capital Redemption Reserve Account or other Premium Account in any way authorized by law and in particular

may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly. This Article is not to derogate from any power the Company would have if it were omitted.

77. The Company in General Meeting may alter the conditions of its Memorandum as follows:

Consolidation
division and sub-
division

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

(b) sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amounts, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

(c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

78. The right conferred upon the holders of 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 pari passu therewith.

Issue of further pari
passu shares not to
affect the rights of
shares already issued

MODIFICATION OF RIGHTS

79. If at any time the share capital is divided into different classes, the rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, be modified, commuted, affected, abrogated or varied (whether or not the Company is being wound up) with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holder of that class of shares and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such meeting.

Rights attached to
any class of shares
may be varied

JOINT HOLDERS

80. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as Joint holders with benefits of survivorship subject to the following and other provisions in the Articles:

Joint Holders

(a) The Company may be entitled to decline to register more than three persons as the joint holders of any shares.

(b) The joint holders of any share shall be liable severally as well as

jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

(c) On the death of any such joint holder 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 deceased joint holders from any liability in respect of the shares held by him jointly with any other person.

(d) Only the person whose name stands first in the Register of Members may give effectual receipts for any dividends or other money payable in respect of such share.

(e) 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 service of the notice and/or delivery of the certificate relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 50) from the Company and any documents served on or sent to such person shall be deemed served on all the joint-holders.

(f) Any one of two or more joint-holders may vote at any meeting either personally 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 then that one of such persons so present whose name stand first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting. Provided always that a joint holders present at any meeting personally shall be entitled to vote in preference to a joint holder present by proxy although the name of such joint holder present by proxy stands first or higher in the Register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purposes of this clause be deemed joint-holders.

DECLARATION BY PERSON NOT HOLDING BENEFICIAL INTEREST IN ANY SHARE

Declaration by
person not holding
beneficial interest in
any share

81. (a) Notwithstanding anything herein contained, a person whose name is at any time entered in the Register of Members of the Company as the holder of a share in the Company, but who does not hold the beneficial interest in such share shall, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in such manner as may be provided in Section 89 of the Act.

(b) A person who holds or acquires a beneficial interest in a share or a class of shares of the Company shall, within the time prescribed after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of members of the Company and such other particulars as may be prescribed as

provided in Section 89 of the Act;

(c) Whenever there is a change in the beneficial interest in share referred to above, the beneficial owner shall, within the time prescribed from the date of such change make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 89 of the Act;

(d) Where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within 30 days from the date of receipt of the declaration by it, a return in the prescribed form with the Registrar with regard to such declaration along with such fees or additional fees as may be prescribed.

BORROWING POWERS

82. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power from time to time at their discretion, by a resolution passed at meeting of the Board and not by Circular Resolution, to accept deposits from members other in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of moneys for the purposes of the Company. Provided that where the total amount borrowed at any time together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceeds the aggregate of the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, the consent of the Company by way of a special resolution shall be required. Such special resolution shall specify the total amount up to which moneys may be borrowed by the Board. The expression "temporary loans" in this Article means loans repayable on demand or within six months from the date of the loans such as short terms loans, cash credit arrangements, discounting of bill and the issue of other short-term loans of reasonable character but does not include loans raised for the purpose of financing expenditure of a capital nature.

Power to borrow

83. Subject to the provisions of Act and these Articles, the Directors may, by a resolution passed at a meeting of the Board and not by circular resolution, raise or secure the payment of such sum or sums in such manner and upon such issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Conditions on which moneys may be borrowed

84. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Bonds, Debentures etc. to be subject to control of Directors

85. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Securities may be assignable free from equities

Condition on which bonds debentures etc. may be issued

86. Subject to the provisions of the Act and these Articles any bonds, debentures, debenture-stock or other securities may be issued at a premium or otherwise and with any special rights, privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meeting, appointment of Directors or otherwise. Provided that debentures with the right to allotment of or Conversion into shares, either wholly or partly shall not be issued except with the sanction of the Company in General Meeting by way of a special resolution.

Mortgage of uncalled capital

87. If any uncalled capital of the Company is included in or charged by way of mortgage or other security by the Directors, the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the persons in whose favour such mortgage or security is executed or any other person in trust for him to receive moneys on call from the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Director's powers or otherwise and shall be assignable if expressed so to be.

Indemnity may be given

88. Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

Register of mortgages etc. to be kept

89. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company including all floating charges on the undertaking or any property of the Company, and shall cause the requirements of Sections 71, 77, 79, 81 to 87 (both inclusive) of the Act in that behalf to be duly complied with, within the time prescribed by the said Sections or such extensions thereof as may be permitted by the Applicable Authority or the Registrar as may be applicable so far as they are to be complied with by the Board. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act.

DEBENTURES

Debentures

90. The Company shall have power to issue debentures whether convertible or non-convertible, and whether linked to issue of equity shares or not, among members, but in exercising, this power, provisions of Sections 56, 71, 78, 88, 113 and 117 of the Act or any statutory modifications thereof shall be complied with.

REGISTRATION OF CHARGES

91. (a) The provisions of the Act relating to registration of charges which expression shall include mortgages shall be complied with. Registration of Charges

(b) In the case of a charge created within or out of India on the Company's property or assets or any of its undertaking, whether tangible or otherwise, and situated in or outside India, the provision of Section 77 of the Act shall be complied with.

(c) Where any charge on any property of the Company required to be registered under Section 77 of the Act has been so registered, any person acquiring such property, assets, undertakings or part thereof or any share or interest therein, shall be deemed to have notice of the charge as from the date of such registration.

(d) In respect of registration of charges on properties acquired subject to charge, the provisions of Section 79 of the Act shall be complied with.

GENERAL MEETINGS

92. Subject to the provisions of Section 96 and 129 of the Act the Company shall, in addition to any other meetings, hold a general meeting (hereinafter called as "Annual General Meeting") at the intervals and in accordance with the provisions contained in Section 96 of the Act. Annual General Meetings

93. All General Meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings. Extra-Ordinary General Meetings

94. The Board of Directors may call an Extra-Ordinary General Meeting whenever they think fit. Directors may call Extra-Ordinary General Meeting

95. (a) The Board of Directors shall, on the requisition of such number of members of the Company who hold, in regard to any matter at the date of receipt of the requisitions, not less than one tenth of such of the paid-up capital of the Company upon which all calls or other moneys then due shall have been paid as at that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 100 of the Act and the provisions herein below contained shall be applicable to such meeting. Directors to call Extra-Ordinary General Meeting on requisition

(b) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the Registered Office of the Company.

(c) The requisition may consist of several documents of the like from each signed by one or more requisitionists.

(d) Where two or more distinct matters are specified in the requisition, the provisions of clause (a) above shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause is fulfilled.

(e) If the Board of Directors do not, within twenty one days from the date of the receipt of valid requisition in regard to any matter, proceed duly to call a meeting for the consideration of those matter on a day not later than forty five days from the date of the receipt of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to in clause (a) above whichever is less.

(f) A meeting called under clause (e) above by the requisitionists or any of them shall be called and held in the same manner, as nearly as possible, as that in which meetings are called and held by the Board., but shall not be held after the expiration of three months from the date of the deposit of the requisition.

(g) Any reasonable expenses incurred by the requisitionist in calling a meeting under clause (e) above shall be reimbursed to the requisitionists by the Company, and any sum so paid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Notice of Meeting 96. (a) A General Meeting of the Company may be called by giving not less than twenty one days clear notice either in writing or in electronic mode in such manner as may be prescribed.

(b) However a General Meeting may be called after giving a shorter notice, if the consent is given in writing or by electronic mode by not less than ninety five percent of the members entitled to vote at such meeting.

Contents of Notice 97. (a) Every notice of a meeting of the Company shall specify the place, the date, the day and the hour of the meetings, and shall contain a statement of the business to be transacted there at.

(b) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member of the Company.

Special Business 98. (a) In case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special, with the exception relating to:

- (i) the consideration of the Financial Statements and the report of the Board of Directors and auditors;
- (ii) the declaration of any dividend;
- (iii) the appointment of Directors in the place of those retiring;
- (iv) the appointment of and the fixing of the remuneration of the Auditors.

(b) In the case of any other meeting all business shall be deemed special.

(c) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest if any, therein of (i) every Director and of the Manager if any; (ii) every other key managerial personnel; and relatives of the persons mentioned in sub clauses (i) and (ii) and any other information and facts that may enable members to understand the meaning, scope and implications of the items of business and to take decisions thereon. Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, Director, the Manager, if any and of every other key managerial personnel of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 2 per cent of the paid-up share capital of that other company.

Explanatory
Statement

(d) Where any item of business to be transacted at the meeting refers to any document, the time and place where the document can be inspected shall be specified in the explanatory statement.

99. Notice of every meeting shall be given to every member of the Company in any manner authorized by sub-section (2) of Section 20 of the Act and by these Articles.

Service of Notice

100. Notice of every meeting of the Company and every other communication relating to any general meeting of the Company which any member of the Company is entitled to have sent to him, shall be given to the Auditor or Auditors for the time being of the Company in the manner authorized by Section 20 of the Act, as in the case of any member or members of the Company.

Notice to be given to
the Auditors

101. The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed there at.

As to omission to
give notice

102. (a) Whereby any provision contained in the Act or in these, Special Notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company by such number of members holding not less than one per cent of total voting power or holding shares on which such aggregate sum not exceeding Rs. 5 lakhs, not earlier than three months but not less than fourteen days before the meeting at which it is to be moved exclusive of the days on which the notice is served and the day of the meeting.

Resolutions
requiring Special
Notice

(b) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it give its members, notice of the resolution at least seven days before the meeting exclusive of the day of dispatch of the notice and the day of the meeting, in the same manner as it gives its notice of any general meeting. If that is not practicable, the notice shall be published in English language in English newspaper and in vernacular language in a vernacular newspaper, both having wide circulation in the State where the registered office of the Company is situated and such notice shall also be posted on the website, if any, of the Company. Such notice shall be published not less than seven days before the meeting exclusive of the day of publication of the notice and day of the meeting.

Circulation of member's resolution 103. Upon a requisition of members complying with Section 111 of the said Act, the Directors shall duly comply with the obligation of the Company under the said Act relating to circulation of members resolutions and statements.

Certificate conclusive as to Meeting have been duly called 104. A certificate in writing, signed by the Secretary or by a Director or some officer appointed by the Directors for the purpose, to the effect that according to the best of his belief the notice convening the meeting have been duly given shall be conclusive evidence thereof.

Business which may not be transacted at the meeting 105. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business or statement of which has not been specified in the notice covering the meeting, except as provided in the said Act.

PROCEEDING AT GENERAL MEETINGS

Quorum at General meeting 106. The quorum for the General Meeting shall be as follows:

- (a) Five members personally present if the number of members as on the date of meeting is not more than one thousand;
- (b) Fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
- (c) Thirty members personally present if the number of members as on the date of the meeting exceeds five thousand.

107. No business shall be transacted at any General Meeting unless the requisite quorum be present at the commencement of the meeting.

Proceedings when quorum not present 108. If within half an hour after the time appointed for the holding of a General Meeting quorum be not present, the meeting, if convened on the requisition of shareholders shall be dissolved and in every other case, shall stand adjourned to the same day in the next week at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If even at such adjourned meeting the requisite quorum is not present within half an hour from the time appointed for holding the meeting, those members present shall be the quorum and may transact the business for which the meeting was called.

Business of adjourned meetings 109. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Chairman 110. The Chairman of the Board of Directors shall be entitled to take the Chair at every General Meeting. If there be no Chairman or if at any meeting, he shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Vice Chairman, or in the case of his absence or refusal, the Directors present may choose a Chairman, and in default of their doing so the members present shall choose one of the Directors to be the Chairman, and if no

Director present be willing to take the chair, the members present shall choose one of the member to be the Chairman.

111. (a) No business shall be discussed at any General Meeting except the election of Chairman whilst the Chair is vacant.

Business confined to decision of Chairman whilst chair vacant

(b) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles and the Chairman so elected pursuant to Article 110, shall continue to exercise all the powers of the Chairman under the Act and these Articles. Where some other person is elected as a Chairman as a result of the poll, he shall then be the Chairman for the rest of the meeting.

112. The Chairman with the consent of any meeting at which a quorum is present can adjourn any meeting from time to time and from place to place in the city or town or village where the registered office of the Company is situated.

Chairman with consent may adjourn meeting

113. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Notice to be given where a meeting is adjourned for thirty days or more

114. At any General Meeting, a resolution put to the vote of the meeting shall, unless a poll is (before or on the declaration of the result on a show of hands) demanded be decided on a show of hands and unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against such resolution.

Evidence of the passing of a resolution where poll not demanded

115. Before or on declaration of the result of the voting on a show of hands, the Chairman may on his own motion, order a poll to be taken. Poll shall also be ordered by Chairman if it is demanded by one or more members present at the meeting in person or by proxy and holding shares or being entitled to votes at least to the extent stipulated by Section 109 of the Act. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Demand for poll

116. A Poll demanded on any question (other than the election of the Chairman or on question of adjournment, which shall be taken forthwith) shall be taken at such place in the city/town or village in which the Registered Office of the Company is situated and at such time not being later than forty eight hours from the time when the demand was made as the Chairman may direct. Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken, including the power to take the poll by open voting or by secret ballot and either at once or after the interval or adjournment or otherwise and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Time and manner of taking poll

- Scrutineers at poll
117. When a poll is to be taken, the Chairman of the meeting shall appoint such number of Scrutineers, as he deems necessary to scrutinize the votes given on the poll and to report, thereon to him in the manner as may be prescribed. The Chairman shall have the power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of scrutineers arising from such removal or from any other cause. Of the scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.
- Demand for poll not to prevent transaction of other business
118. The demand for a poll shall not prevent the continuance of a meeting for transaction of any business other than question on which the poll has been demanded.
- Resolution have decided in case of equality of votes
119. In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands has taken place, or at which the poll is demanded, shall be entitled to second or casting vote in addition to the vote or votes to which he may be entitled as a member.
- Reports Statements and Registers to be laid on the table
120. At every Annual General Meeting of the Company there shall be laid on the tables the Directors Report and audited statement of Accounts Auditor's Report (if not already incorporated in the statement of accounts), the Proxy Register with proxies and the Register of Directors Key Managerial Personnel and their shareholding maintained under Section 170 of the Act. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company. Where a company has one or more subsidiaries, it shall prepare a consolidated Financial Statement of the company and of all the subsidiaries in the same form and manner as that of its own which shall also be laid before the annual general meeting of the company along with the laying of its Financial Statement as mentioned above. The Company shall also attach along with its audited statement of accounts, a separate statement containing the salient features of the audited accounts of its subsidiary or subsidiaries in such form as may be prescribed.
- Registration of certain Resolution and Agreements
121. A copy of each of the following resolutions (together with a copy of the statement of material facts annexed under Section 102 of the Act to the notice of the meeting in which such resolution has been passed) and agreements shall, within such period as may be prescribed after the passing or making thereof, be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar:
- (a) Special Resolutions;
 - (b) Resolution which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolutions;
 - (c) Resolutions of the Board of agreements relating to the appointment or reappointment or the renewal of the appointment or variation of the terms of appointment of a Managing Director;

(d) Resolutions or agreements which have been agreed to by all the members of any class of shareholders but which if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner, and all resolutions or agreements which effectively bind all the members or any class of shareholders though not agreed to by all those members;

(e) Resolution requiring the Company to be wound up voluntarily passed in pursuance of Section 304 of the Act;

(f) Resolutions passed in accordance with Sub Section (3) of Section 179 of the Act;

(g) Any other resolution or agreement as may be prescribed and placed in the public domain.

A copy of every resolution of the Company which has the effect of altering the Articles of the Company and a copy of every agreement referred to in the above clause (c) and (d) and (g) shall be embodied in or annexed to every copy of the Articles of the Company issued after the passing of the resolution or the making of the agreement.

122. The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of Section 118 of the Act by making, within thirty days of the conclusion of each such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a Director duly authorized by the Board for that purpose, in no case the minutes of the proceedings or a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

Minutes of General Meeting

123. The books containing the aforesaid minutes shall be kept at the Registered Office and be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may by these Articles or in General Meeting impose in accordance with Section 119 of the Act. Any member shall be entitled to be furnished, within seven days after he had made a request in that behalf to the Company with a copy of the minutes on payment of Rs.10 per page or part of any page. Provided that a member who has made a request for provision of soft copy in respect of minutes of any previous general meetings held during a period immediately preceding three financial years shall be entitled to be furnished, with the same free of cost.

Inspection of Minutes Book of General Meetings

124. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 119 of the Act to be contained in the Minutes of the proceedings of such meeting.

Publication of report of proceedings of General Meetings

VOTE OF MEMBERS

Votes may be given
by proxy or attorney

125. Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy (only on poll) or in the case of a body corporate also by a representative duly authorized under Section 113 of the Act.

Subject to the
Provisions of the
Act:

126. Subject to the provisions of the Act:

(a) On a show of hands, every holder of equity shares entitled to vote and present in person shall have one vote and upon a poll every holder of equity shares entitled to vote and present in person or by proxy shall have voting rights in proportion to his share in the paid-up equity Capital of the Company.

(b) Every holder of a preference share in the capital of Company shall be entitled to vote at a General Meeting of Company only in accordance with the limitations and provisions laid down in Section 47(2) of the Act.

(c) A member may exercise his vote at a meeting by electronic means and shall vote only once.

Voting by members
of unsound mind
and minors

127. 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, if more than one, to be selected in case of dispute by the Chairman of the Meetings.

No member to vote
unless calls are paid
up

128. Subject to the provisions of the Act, no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or be reckoned in a quorum whilst any call or other sums shall be due and payable to the Company in respect of any of the shares of such member.

Member entitled
to cast his vote
differently

129. On a poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

Joint-holders voting

130. Where there are joint registered holder of any shares, any one of such persons may vote at any meeting in respect of shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting then one of the said person so present whose name stands first on the register in respect of such shares shall alone be entitled to vote in respect thereof. Where there are several executors or administrators of a deceased member in whose sole name any shares stand, any one of such executors or administrators may vote in respect of such shares unless any other of such executors is present at the meeting at which such vote is tendered and object to the votes in which case no such vote shall be exercised except with the unanimous consent of all the executors or administrators present.

131. Any person entitled under the transmission Article (Article 61) to transfer any share shall not be entitled to be present, or to vote at any meeting either personally or by proxy, in respect of such shares, unless at least forty-eight hours before the time for holding the meeting or adjourned meeting as the case may be, at which he proposes to be present and to vote, he shall have satisfied the Directors of his right to transfer such shares (as to which the opinion of the Directors shall be final) or unless the Directors shall have previously admitted his right to vote in respect thereof. Votes of a person entitled to a share on transmission
132. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll. Appointment of proxy
133. Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an Officer or an attorney duly authorized by it. Deposit of instrument of proxy
134. (a) The instrument of proxy shall be deposited at the office of the Company not less than forty eight hours before the time for holding the 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. No instrument appointing proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time. Timing of deposit of proxy
- (b) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved there at, shall be entitled, during the period beginning twenty four hours before the time fixed for the commencement of the meeting, shall be entitled, during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect, the proxies lodged at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company.
135. An instrument appointing a proxy shall be in such form as may be prescribed by the Act from time to time. Form of proxy
136. If any such instrument be confined to the object of appointing a proxy for voting at a meeting of the Company, it shall remain permanently or fix such time as the Directors may determine, in the custody of the Company, and if embracing other objects, a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company. Custody of the instrument of proxy
137. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or subsequent insanity of the principal or revocation of the proxy under such proxy was, signed or the transfer of the shares in respect of which the vote is given provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received at the office of the Company before the meeting. Validity of votes given by proxy notwithstanding death of members etc

Times for objection to votes

138. Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote is tendered and every vote whether given personally or by proxy or by any means hereby authorized, and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Chairman of any meeting to be the judge of validity of any vote

139. Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered or given at such meeting and subject as aforesaid, the Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

DIRECTORS

Number of Directors

140. Subject to the provisions of Section 149 of the Act, the number of Directors shall not be less than three, and unless otherwise determined by the Company in General Meeting, not more than as stipulated under the Act. The Promoters shall have the right to nominate eight persons on the Board (the Promoter Directors).

141. (a) The Company shall subject to the provision of the Act, be entitled to agree with any person, firm or corporation that he or it shall have right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as may be prescribed from time to time.

- (b) (i) The promoters and / or
- (ii) The relatives of any one or more of the promoters and/ or
- (iii) Any firm, association of persons, trust, body of individuals, company or corporation, in which either not less than 15% of the equity share capital is held by one or more persons specified in sub clause (i) and(ii) of this clause, whether singly or collectively or together, and/or
- (iv) Any subsidiary or holding company of any Company or Corporation specified in sub clause (iii) of this clause and/or
- (v) Any Company or Corporation in which not less than 15% of the Equity Share Capital is held by one or more of the persons specified in sub-clause (i) to (iv) of this clause, whether singly or collectively; hold singly or collectively in any combination whatsoever not less 15% of the equity Share Capital of the Company, then the promoters collectively or any other person so nominated collectively by them shall be entitled to appoint in the aggregate not exceeding one-third of the total number of Directors (including any Managing Director) on the Board of Directors of the Company and to remove any such directors so appointed and to appoint another in his place or in the place of any such director who resigns or otherwise vacates his office. Such appointment shall be effected by writing to the Board and such appointment or removal shall take effect immediately

upon such writing being delivered to the Company. Any director so appointed shall not be liable to retire by rotation at any general meeting of the Company and shall be known as Non- Retiring Director.

The appointment or removal of Non-Retiring Director under this Article shall be by a notice in writing addressed to the Company and shall take effect forth with upon such notice being received by the Company.

The right to appoint Non-Retiring Directors conferred as above shall be exercisable so long as promoters hold in the manner specified above (a) to (e) of Article 140 not less than 51 % of the paid up equity Share Capital of the Company for the time being.

142. Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act or as defined in the definition clause of these Articles. Notwithstanding anything contained in these Articles, the terms of appointment, manner of selection, remuneration, tenure of office, etc. of an Independent Director shall be subject to the provisions of the Act.

Independent
Director

Independent Director shall not be liable to retire by rotation.

143. The Company may agree with any financial institution or any authority or person or State Government that in consideration of any loan or financial assistance of any kind whatsoever, which may be rendered by it to the Company, it shall till such time as the loans or financial assistance is outstanding have power to nominate one or more Directors on the Board of the Company and from time to time remove and re-appoint such Directors and to fill in any vacancy caused by the death or resignation of such Directors otherwise ceasing to hold office. Such Nominee Directors shall not be required to hold any qualification shares nor shall they be liable to retire by rotation.

Nominee Directors

144. Any trust Deed for securing debentures or debenture-stock may if so arranged provide for the appointment from time to time by the Trustees therefore or by the holders, of the debentures or debenture-stock of some person to be a Director of the Company and may empower such trustees or holder of debentures or debenture-stock from time to time to remove any Director so appointed. The Director appointed under this Article is herein referred to as the "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or, subject to the provision of the Act, be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

Debenture Director

Appointment of
Alternate Directors

145. The Board of Directors of the Company may appoint an alternate Director (not being a person holding any alternate directorship for any other director in the Appointment of Alternate Directors Company) to act for a director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India. Provided that 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 Act. Such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to receive notice of meetings of the Board and to attend and vote there at accordingly. An Alternate Director appointed under this Article should not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office, if and when the Original Director returns to India. If the term of office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of a retiring director in default of any other appointment shall apply to the Original Director and not to the Alternate Director. Such Alternate Director shall not be required to hold any qualification shares.

Casual Vacancy

146. Subject to the provisions of Section 161(4), 169(7) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director before the term of office of such Director expires, may be filled up by the Directors at a meeting of the Board. Any person so appointed would have held office, if the vacancy had not occurred and shall hold office only upto the date upto which the Director in whose place he is so appointed would have held the office if it had not been vacated. Provided that, where a vacancy is created by removal of a director, the director who was removed from office shall not be re-appointed as the director by the Board.

Appointment of
Additional Directors

147. Subject to the provisions of Section 161 and other applicable provisions (if any) of the Act, the Directors shall have power at any time and from time to time to appoint a person or persons, other than a person who fails to get appointed as a director in a general meeting, as Additional Director or Directors. Such Additional Director shall hold office only up to the date of the next Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re-election at that meeting as a Director, provided that the number of Directors and the Additional Director together, shall not exceed the maximum strength fixed by the Board by Article 140 hereof.

Qualifications of
Directors

148. A Director of the Company shall not be bound to hold any qualification shares.

Remuneration of
Directors

149. Subject to the provisions of Section 197 of the Act and other applicable provisions, if any, the remuneration payable to the Director of the Company shall be as hereinafter provided.

(a) The fees payable to a Director for attending a meeting of the Board or a Committee of the Board of Directors from time to time shall be within the maximum limits of such fees that may be prescribed under Section 197 of the Act, or if, not so prescribed in such a manner as the Directors may determine from time

to time in conformity with the provisions of law. The Directors shall be paid such further remuneration if any, either on the basis of percentage on the net profits of the Company or otherwise, as the Company in General Meeting shall from time to time determine, and such additional remuneration and further remuneration shall be divided amongst the Directors in such proportion and manner as the Board may from time to time determine, and in default of such determination, shall be divided amongst the Directors equally.

(b) The Board of Directors may in addition allow and pay to any Director who is not a bonafide resident of the place where a meeting of the Board or Committee or a general meeting of the Company is held, and who shall come to the place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for his traveling, hotel, boarding, lodging and other expenses incurred in attending or returning from meetings of the Board of Directors, or any Committee thereof or general meetings of the Company.

(c) Subject to the limitations provided by the Act and this Article, if any Director shall be called upon to go or reside out of his usual place or residence on the Company's business or otherwise perform extra service outside the scope of his ordinary duties, the Board may arrange with such Director for such special remuneration for such service either by way of salary, commission, or the payment of stated sum of money as they shall think fit, in addition to or in substitution of his remuneration above provided, and all the Directors shall be entitled to be paid or reimbursed or repaid any traveling, hotel and other expenses incurred or to be incurred in connection with the business of the Company and also to be reimbursed all fees for filing all document which they may be required to file under the provisions of the Act.

(d) Subject to the provisions of Section 197 and 198 of the Act, an Independent Director shall not be entitled to any stock options.

(e) The Company shall, in accordance with Section 197 (12) of the Act, disclose in its' Board's report, the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for every financial year.

150. The Continuing Directors may notwithstanding any vacancy in their body but subject to the provisions of the Act, if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filing up vacancies or for summoning a General Meeting of the Company.

Directors may act notwithstanding vacancy

151. (a) Subject to the provisions of Section 167 of the Act, the Office of a Director shall become vacant if:

When office of Director to become vacant

- (i) he is found to be of unsound mind by a court of competent jurisdiction, or
- (ii) he applies to be adjudicated an insolvent; and the application is pending or

- (iii) he is an undischarged insolvent; or
- (iv) he absents himself from all the meetings of the Board of Directors during a period of twelve months, with or without obtaining leave of absence from the Board of Directors; or
- (v) he becomes disqualified by an order of the Court or the Tribunal; or
- (vi) he is removed in pursuance of the Act; or
- (vii) he acts in contravention of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested; or
- (viii) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act, or
- (ix) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (x) he has not paid any calls in respect of any shares of the Company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
- (xi) he has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years;
- (xii) he, having been appointed a Director by virtue of his holding any Office or other employment in the Company, ceases to hold such office or other employment in the Company.

(b) Subject to the provisions of the Act, a Director may resign his office at any time by Notice in writing addressed to the Company or to the Board of Directors. The Board shall on receipt of such notice take note of the same and the Company shall intimate the Registrar. The Board shall also place the fact of such resignation in its report laid in the immediately following Annual General Meeting of the Company. Also, the Director shall forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within the prescribed time.

Directors may
contract with
Company

152. (a) Subject to the provisions of clause (b), (c), (d) and (e) of this Article hereof and the restriction imposed by Article 153 and the other Articles hereof and the Act and the observance and fulfillment thereof save and except as stated in Section 188, no director shall be disqualified by his office from contracting with the Company for any purpose and in any capacity whatsoever including either as Vendor, purchase, agent, broker, underwriter of shares and debentures of the

Company or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be void, nor shall any Director, so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relationship thereby established, but it is hereby declared that nature of his interest must be disclosed by him as provided by clauses (b) (c) and (d) hereof.

(b) Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding.

Disclosure of
Interest

(c) Every Director who is in any way whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement entered into or to be entered into:

- (i) with a body corporate in which such Director or such Director in association with any other Director, holds more than two percent shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or
- (ii) with a firm or other entity in which, such Director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at a meeting of the Board of Directors in which such contract or arrangement is discussed and shall not participate in such meeting.

Provided that where a Director was not concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

(d) For the purpose of this Article, the disclosure to be made by a Director, shall be made by way of a notice.

Notice of Interest

(e) Nothing contained in clause (b) (c) and (d) hereof shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid up share capital in the other company.

153. (a) The Company shall keep one or more Registers in accordance with Section 189 of the Act in which shall be entered separately particulars of all contracts or arrangements to which Sub-Section (2) of Section 184 or Section 188 of the Act applies.

Register of contracts
in which Directors
are interested

(b) The entries in such Registers shall be made at once, whenever there is a cause to make the entry, in chronological order and shall be authenticated by the Company Secretary of the Company or by any other person authorized by the Board for this purpose. The Registers shall be placed before the next meeting of the Board and shall then be signed by all the Directors present at the meeting. The Registers shall also be produced at the commencement of every Annual General Meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting;

(c) The Registers aforesaid shall also specify, in relation to each Director of the Company, the particulars of the firms or bodies corporate or other association of individuals, in which such Director has any concern or interest, of which notice has been given by him under sub- Section (1) of Section 184 of the Act.

(d) Nothing in the foregoing clause (a) (b) and (c) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials or services if the value of such goods and materials or the cost of such services does not exceed five lakh rupees in the aggregate in any year.

(e) The Registers as aforesaid shall be kept at the Registered Office of the Company and they shall be open to inspection at such office and extracts may be taken from any of them and copies thereof may be required by any member of the Company on payment of fees of Rs.10 per page.

Directors may be Directors of Companies promoted by the Company

154. A Director of the company may become a Director of any Company promoted by the Company, or in which it may be interested as Vendor, member or otherwise and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as a Director or member of such Company.

Disclosure of holdings

155. A Director or Manager shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 170 of the Act. If such notice be not given at a meeting of the Board, the Director or Manager shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter the particulars of the Director's and Manager's holding of the shares and debentures as aforesaid in a Register kept for their purpose in conformity with Section 170 of the Act.

Loans to Directors

156. The Company shall observe the restrictions imposed on the Company in regard to grant of loan to Directors and other persons as provided in Section 185 and other applicable provisions, if any, of the Act.

Related Party Transactions

157. Except as provided in and subject to the limitations and restrictions contained in Section 188 of the Act, the Company shall not enter into any contract or arrangement with a Related Party with respect to:

(a) for the sale, purchase or supply of any goods or materials;

- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company
- (g) for underwriting the subscription of any securities or derivatives thereof, of the Company.

158. Subject to the provisions of the Act and these Articles, the Company may from time to time increase or reduce within the maximum limit permissible the number of Directors. Provided that the Company may increase the number of Directors beyond the permissible maximum limit only after passing a special resolution.

Increase or
reduction in number
of Directors

RETIREMENT AND ROTATION OF DIRECTORS

159. Subject to Section 152 of the Act all the Directors of the Company, other than non-retiring Directors, Independent Directors and the Managing Director or Managing Directors shall be liable to retire by rotation. However when the total number of non-retiring Directors, inclusive of Managing Director/s and Nominee Directors exceeds one-third of the total number of Directors or number permissible under the provisions of the Act for non-rotation of the Directors, as the case may be, the Board shall decide as to out of them whose period of office shall be liable to determination by retirement by rotation from time to time as and when a situation arises.

Retirement and
Rotation of Directors

160. At every Annual General Meeting of the Company, one third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or multiple of three the number nearest to one third shall retire from office. The Managing Director, if any, and any Director appointed under Article shall not be subject to retirement under this Article.

161. Save and except as provided under the Act, the expression "Retiring Director" means a director retiring by rotation.

162. Subject to the provisions of the Act and these Articles, the Directors to retire under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between person who become Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall remain in office until the conclusion of the meeting at which his re-appointment is decided or his successor is appointed.

Ascertainment of
Directors retiring by
rotation

Eligibly of re-
appointment

163. Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment.

Company to fill up
vacancy

164. The Company at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Provision in default
of appointment

165. (a) If the place of the retiring Director or Directors is not so filled up and the meeting has not expressly resolved to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday till the next succeeding day which is not a national holiday, at the same time and place.

(b) If at the adjourned meeting also the place of the retiring Director or Directors is not filled up and the meeting also has not expressly resolved not to fill the vacancy the retiring Director or Directors shall be deemed to have been re-appointed at the adjourned meeting unless:

- (i) at the meeting or at the previous meeting a resolution for the re-appointment of such Director or Directors has been put to the meeting and lost;
- (ii) the retiring Director or Directors has or have by a notice in writing addressed to the Company or its Board of Directors expressed his or their unwillingness to be so re-appointed;
- (iii) he is or they are not qualified or is disqualified for appointment;
- (iv) a resolution whether special or ordinary, is required for their appointment or re-appointment by virtue of any provisions of the Act;
- (v) Article 167 or Section 162 is applicable to the case.

Notice of
candidature for
office of Directors

166. (a) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of the Director at any General Meeting if he or some member intending to propose him has, at least fourteen clear days before the meeting, left at the Registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be along with a deposit of Rs. 1,00,000 (Rupees One Lakh only) or such higher amount as may be prescribed which shall be refundable only if the candidate in respect of whom such deposit is made has duly been elected as Director or if he gets more than 25% of total valid votes cast either on show of hands or on poll on such resolution.

(b) A person appointed as a director shall not act as a director unless he gives his consent to the Company to hold the office as director and files the same with the Registrar within the prescribed time.

(c) On receipt of the notice referred to in this Article the Company shall at least seven days before the general meeting inform its members of the candidature of that person for the office of a Director or of the intention of member to propose such person as a candidate for that office (1) by serving individual notices on members through electronic mode to such members who have provided their email addresses to the Company for communication purposes, and in writing to all other members; and (2) by placing notice of such candidature or intention on the website of the Company, if any. Provided that it shall not be necessary for the Company to serve individual notices upon the members if the Company advertises such candidature or intention not less than seven days before the meeting at-least once in a vernacular newspaper in the principal vernacular language of the district in which the Registered Office of the Company is situated, and circulating in that district, and at least once in English Language in an English newspaper circulating in that district.

Consent to act as directors

167. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by single resolution that it shall be so made has first been agreed to by the meeting without any vote given against it. A resolution moved in contravention of this Article shall be void whether or not objection so moved is passed. No provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

Individual Resolution for Directors Appointment

168. Glaxo Group Limited, U.K. or its successors or assignees of its business (hereinafter referred to as "Glaxo Group"), shall have the right by a notice in writing signed by a Director or Secretary of Glaxo Group addressed to the Board, to appoint such number of person or persons as shall, together with the Managing Director or Managing Directors not exceeding one-third of the total number of retiring Directors for the time being of the Company, as Directors of the Company and to remove such persons from office and on a vacancy being caused in such office from any cause whether by resignation, death, removal or otherwise of any person so appointed, to appoint others in the vacant places. The Directors appointed under this Article are herein referred to as "non-retiring Directors" and the term "non-retiring Directors" means the Directors for the time being in office under this Article. The non-retiring Directors shall not be liable to retire by rotation. The non-retiring Directors shall not be bound to hold any qualification shares.

169. Glaxo Group shall also be entitled to designate out of the Directors of the Company, such number of Directors, as shall together with the Managing Director or Managing Directors or any other non-retiring Director appointed pursuant to sub-Article (a) hereof, not exceeding one-third of the total number of retiring Directors of the Company who shall be deemed to be "non-retiring Directors" for the purposes of sub-Article (a) hereof and the provisions of sub-Article (a) hereof, to the extent applicable shall apply to such non-retiring Directors.

170. Any appointment, removal and designation of a non-retiring Director under this Article, shall be by a notice in writing signed by a Director or Secretary of Glaxo Group addressed to the Board and shall take effect forthwith upon such notice being delivered to the Board.

All Directors other than the non-retiring Directors shall be elected by the shareholders of the Company in General Meeting and shall be liable to retirement by rotation as hereinafter provided.

Departmental
Directors

171. The Directors may from time to time designate any person to be a Departmental, Divisional or Local Director and define, limit or restrict his powers and duties and determine his remuneration and the designation of his office and may at any time remove any such persons from such office. A Departmental, Divisional or Local Director (notwithstanding that the designation of his office may include the word "Director") shall not by virtue of such office be or have power in any respect to act as a Director of the Company not be entitled to receive notice of or attend or vote at Meetings of the Directors not be deemed to be a Director for any of the purposes of these presents.

Removal of
Directors

172. (a) The Company may, subject to the provisions of Section 169 and other applicable provisions Act and these Articles remove any Director before the expiry of his period of office.

(b) Special notice as provided by Article 102 and Section 115 of the Act shall be given, of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

(c) On receipt of notice of any such resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

(d) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto, representation in writing to the Company and requests its notification to members of the Company, the Company shall unless the representation is received by it too late for it to do (a) in the notice of the resolution given to the members of the Company state the fact of the representation having been made and (b) send a copy of the representation to every member of the Company to whom the notice of the meeting has been sent (whether before or after receipt of the representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the meeting. Provided that copies of the representation shall not be read out at the meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this clause are being abused to secure needless publicity for defamatory matter.

(e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, be filled by the appointment of another Director in his place by the meeting at which he is removed provided Special Notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the

date upto which his predecessor would have held office if he had not been removed as aforesaid.

(f) If the vacancy is not filled under clause (e) it may be filled as Casual Vacancy in accordance with the provisions (in so far they are applicable) of the Act.

(g) A Director who was removed from office under this Article shall not be re-appointed as Director by the Board of Directors.

(h) Nothing contained in this Article shall be taken:

- (i) as depriving a person removed thereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment terminating with that as Director, or
- (ii) as derogating from any power to remove a Director which may exist apart from this Article.

MEETING OF DIRECTORS

173. The Directors may meet together as a Board from time to time and at least four Board meetings shall be held in every year, and they may adjourn and otherwise regulate their meetings as they deem fit. Provided that not more than 120 days shall intervene between two consecutive Board meetings. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of quorum.

Meeting of Directors

174. A Director or the Managing Director may at any time and the Secretary upon the request of a Director shall convene a meeting of the Directors. Not less than 7 days notice along with agenda of every Board Meeting shall be given to all the Directors and their Alternate at their address registered with the Company in accordance with Section 173 of the Act.

When meetings to be convened and notice thereof

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, shall be present at the meeting.

Provided further that in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one Independent Director, if any.

175. Subject to the provisions of Section 174 and other applicable provisions (if any) of the Act, the quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board of Directors (excluding Directors, if any, whose places may be vacant at the time, and any fraction contained in that

Quorum

one- third being rounded off as one) or two Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum, provided that where at any time, the number of interested Directors exceeds or is equal to two- thirds of the total strength, the number of remaining Directors that is to say the number of Directors who are not interested and are present at the meeting, not being less than two shall be the quorum during such meeting.

Adjournment of meeting for want of quorum

176. If a meeting of the Board of Directors cannot be held for want of quorum, then the meeting shall stand adjourned by three (3) days and at such time and place as the Chairman may decide. If that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place or to such day, time and place as the Directors present may determine.

Appointment of Chairman by Promoters

177. (i) Glaxo Group shall have the right, by writing, signed by all the promoters collectively and addressed to the Board, to appoint one of the Directors as the Chairman and the Director so appointed shall be the Chairman of the Board. Promoters shall have the right, by a similar writing addressed to the Board to remove the Director so appointed from the office of the Chairman. On such vacancy occurring in the office of the Chairman from any cause, whether by death, resignation, removal or otherwise, Promoters shall have the right, by similar writing by all the Promoters addressed to the Board, to appoint another Director in the vacancy, and the Director so appointed shall then be the Chairman of the Board.

(ii) Glaxo Group shall also have the right, by writing and signed by all the Promoters and addressed to the Board, to appoint another Director from amongst the Directors of the Company to be the Vice-Chairman of the Board and the Director so appointed shall be the Vice-Chairman of the Board. Promoters shall have the right by a similar writing and addressed by all the Promoters to the Board to remove the Director so appointed from the office of the Vice- Chairman. On each vacancy occurring in the office of Vice- Chairman from any cause, whether by death, resignation, removal or otherwise, Promoters shall have the right, by a similar writing signed by all the Promoters addressed to the Board, to appoint another Director in the vacancy, and the Director so appointed shall then be the Vice-Chairman of the Board.

(iii) Any appointment or removal of the Chairman or Vice- Chairman under this Article shall become effective forthwith upon receipt by the Company of the writing mentioned in the foregoing clauses of this Article. The rights conferred on promoters by the foregoing clauses of this Article shall be exercisable by Promoters only as long as Promoters hold not less than 15 per cent of the paid up equity share capital of the Company for the time being as per Article 141(b)(i) to 141(b)(v) and addresses written communication signed by all the Promoters as stated above.

Chairman of each meeting

178. The Chairman of the Board shall be entitled to take the chair at every meeting of the Board. The Vice-Chairman of the Board shall act as Chairman of the Board in the absence of the Chairman. If no Chairman or Vice-Chairman is appointed by Promoter in pursuance of clause (a) or (b) of Article 173 or if at any meeting of the Board the Chairman and Vice-Chairman shall not be present or if

he or they shall be unable or unwilling to take the chair, then the Board may elect one of their members to be the Chairman of the Meeting.

179. In case of an equality of votes, the Chairman shall have a second or casting vote.

Chairman shall have casting vote

180. (a) Subject to the provisions of Section 179 of the Act and Article, the Directors may delegate any of their powers to committee consisting of such member or members of their body, as they think fit and they may from time to time revoke and discharge any such committee either wholly or in part and either as to person or purposes, but every committee so formed shall, in the exercise of the powers so delegated to it conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such committee in conformity with such regulations and in fulfillment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles and may pay the same.

Directors may appoint committees

(b) The Board of Directors shall, if applicable, constitute an Audit Committee as per Section 177 of the Act, a Nomination and Remuneration Committee of the Board as per Section 178 of the Act and a Stakeholders Relationship Committee as per Section 178 of the Act.

181. (a) The meetings and proceedings of any such committee consisting of two or more Directors shall be governed by the provisions herein contained in respect of the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

Meetings of committees how to be convened

(b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, which are capable of recording and recognizing the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. Where a Board meeting is to be conducted through video or audio/video mode, the same shall be conducted in accordance with the Act.

182. (a) A resolution passed by circulation without a meeting of the Board or a committee of the Board appointed under Article 176 shall subject to the provisions of clause (b) hereof and the Act be as valid and effectual as resolution duly passed at a meeting of the Board or of a committee duly called and held.

Resolution by Circulation

(b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee at their address registered with the Company in India by hand delivery or by post or by courier or through electronic means as per the Act and has been approved by a majority of the Directors or members, who are entitled to vote on the Resolution.

(c) Provided that where not less than one-third of the total number of Directors of the company for the time being require that any resolution under circulation must be decided at a meeting, the Chairperson shall put the resolution to be decided at a meeting of the Board.

(d) Subject to the provisions of the Act, a statement signed by the Managing Director or other person authorized in that behalf by the Directors certifying the absence from India or any Directors shall for the purposes of this Article be conclusive.

(e) A resolution under clause (a) shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

Act of Board or committee valid notwithstanding defect in appointment

183. Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or person acting as aforesaid or that they or any of them were or was disqualified, or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, may be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to acts done by the Directors after their appointment had been shown to the Company to be invalid or to have terminated.

Minutes of proceedings of Board of Directors and Committees to be kept

184. The Company shall cause minutes of the meeting of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 118 of the Act. The minutes shall contain a fair and correct summary of the proceedings of the meeting including the following:

- (a) The names of the Directors present at the meeting of the Board of Directors or any Committee thereof;
- (b) All orders made by the Board of Directors;
- (c) All resolutions and proceedings of meetings of the Board of Directors and Committees thereof;
- (d) In the case of each resolution passed at a meeting of the Board of Directors or Committee thereof the name of Directors if any, dissenting from or not concurring in the resolution;
- (e) All appointments made at the meeting of the Board of Directors.

By whom the minutes to be signed and the effect of minutes recorded

185. All such minutes shall be signed by the Chairman of the concerned meeting or by the person who shall preside as Chairman at the next succeeding meeting and all the minutes purported to be so signed shall for all actual purposes whatsoever be prima facie evidence of the actual passing of the resolution recorded,

and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meetings at which the same shall appear to have taken place.

186. (a) Subject to the provisions of Section 179, 180 and 182 and all other applicable provisions of the Act and these Articles the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise, and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required or otherwise to be exercised or done by the Company in General Meeting. Provided further that in exercising any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Company in General Meeting.

General Powers of Directors

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

187. Subject to the Provisions of Section 180 and 181 of the Act the Board of Directors shall not, except with the consent of the Company by a special resolution:

Consent of Company necessary for the exercise of certain powers

- (a) Sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;
- (b) Remit or give time for the repayment of any debt due by a Director;
- (c) Invest otherwise than in trust securities, the amount of compensation received by the Company as a result of any merger or amalgamation;
- (d) Borrow moneys where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

188. The Board of Directors with the prior permission of the the company in general meeting may contribute to bona fide charitable and other funds, any amounts the aggregate of which will in any financial year, exceed five percent of its average net profits during the three financial years immediately preceding.

Bona fide contribution to charitable funds etc.

189. Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and it shall do so by means of resolutions passed at meetings of the Board or by means of resolution by circulation wherever permitted by the Act:

- (i) To make calls on shareholders in respect of moneys unpaid on their shares;
- (ii) To authorize buy-back of securities under Section 68 of the Act;
- (iii) To issue securities including debentures, whether in or outside India;
- (iv) To borrow moneys;
- (v) To invest the funds of the Company;
- (vi) To make loans or give guarantee or provide security in respect of loans;
- (vii) To approve Financial Statement and the Board's report;
- (viii) To diversify the business of the Company;
- (ix) To approve amalgamation, merger or reconstruction;
- (x) To take over a company or acquire a controlling or substantial stake in another company;
- (xi) To make political contributions subject to Section 182 of the Act;
- (xii) To appoint or remove Key Managerial Personnel;
- (xiii) To take note of appointment(s) or removal (s) of one level below the Key Managerial Personnel;
- (xiv) To appoint internal auditors and secretarial auditor;
- (xv) To take note of the disclosure of director's interest and shareholding;
- (xvi) To buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
- (xvii) To invite or accept or renew public deposits and related matters;
- (xviii) To review or change the terms and conditions of public deposit;
- (xix) To approve quarterly, half yearly and annual Financial Statements or financial results as the case may be.
- (a) Provided that the Board may, by a resolution at a meeting delegate to

any Committee of Directors or the Managing Director or any other principal officer of the Company or to a principal officer of any of its branch offices, the powers specified below on such conditions as the Board may prescribe.

- (b) Where the Company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit, or other accounts, the day to day operation on overdraft, cash credit or other account, by means of which the arrangement as made is actually availed of shall not require the sanction of the Board.
- (c) Nothing contained in this Article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in clause a above.

190. Without prejudice to the powers conferred by Article 82 and 182 and so as not in any way to limit or restrict these powers and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in Articles 183 to 185 and subject to the provisions of the Act it is hereby declared that the Directors shall have the following powers that is to say power:

Certain powers of the Board

- (a) To pay all costs, charge and expenses preliminary and incidental to the promotion, establishment and registration of the Company. To pay preliminary and promotional costs and charges
- (b) To pay and charge to the capital of the Company any commission or interest lawfully payable thereabout under the provisions of Section 40 of the Act and Articles 16. To pay Commission and Interest
- (c) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit, and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. To acquire property
- (d) At their discretion and subject to the provisions rendered of the Act to pay for any property or rights acquired, by, or services rendered to the Company, either wholly or partly in cash, or in shares, the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such bond, debentures, debenture-stock, mortgage or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled or not so charged. To pay for property in cash, debentures or otherwise
- (e) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, separately or conjointly; also insure all or any portion of the goods, produce, machinery and other articles imported or exported by the To insure properties of the Company

Company and to sell, assign, surrender or discontinue any policies of assurances effected in pursuance of this power.

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| To open accounts with banks | (f) To open accounts with any bank or bankers or with any Company or firm and to pay money into and draw money from any such account from time to time as the Directors may think fit. |
| To secure contracts by mortgage etc. | (g) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit. |
| To attach conditions as to transfer of any shares | (h) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company or in payment for services rendered to the Company, such conditions as the transfer thereof as they think fit. |
| To accept surrender of shares | (i) To accept from any member, on such terms and conditions as may be agreed, a surrender of his shares or stock or any part thereof, so far as may be permissible by law. |
| To appoint trustee | (j) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes, and to execute and do all such deeds and things as may be requisite in relation to any such trust and provide for the remuneration of such trustee or trustees. |
| To bring and defend suits and legal proceedings | (k) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the Company. |
| To refer to arbitration | (l) To refer any claims or demand by or against the Company or any dispute or difference to arbitration and observe, perform and execute any awards made thereon. |
| To act in all insolvency matters. | (m) To act on behalf of the Company in all matters relating to bankrupts and insolvents. |
| To give receipts | (n) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. |
| To authorize acceptance | (o) To open and operate upon bank accounts and to determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrant, releases, contract and documents and to give the necessary authority for such purposes. |
| To invest money | (p) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such securities and other investments (not being shares of the Company) or without security and in such |

manner as they may think fit, and from time to time to vary or realize such investments provided that save as permitted by Section 187 of the Act all investments shall be made and held by the Company in its own name.

- (q) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgages may contain a power of sale and such other powers, covenants, provisions and agreements as shall be agreed. To execute mortgage
- (r) To distribute by way of bonus amongst the staff of the Company a part of the profits of the Company, and to give to any officer or other persons employed by the Company a commission on the profits of any particular business or transactions and to charge such bonus or commission as part of the working expenses of the Company. To distribute bonus
- (s) Subject to the provisions of the Act, to give to any officer or other person employed by the Company an interest in any particular business or transaction by way of a share in the general profits of the Company, and such share of profits shall be treated as part of the working expenses of the Company. Sharing Profits
- (t) Subject to the provisions of the Act, to provide for the welfare of the employees or ex- employees of the Company and its Directors or Ex-Directors and the wives, widows, and families and the dependants of such persons, by building or contributing to the building of houses, dwelling or quarters or by grant 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 funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals, and dispensaries, medical and other attendances and other form of assistance, welfare or relief as the Directors shall think fit, and to subscribe or contribute or otherwise to assist to or guarantee money to charitable, benevolent, religious, scientific, national, public or any other institutions objects or purposes or for any exhibition. To provide for welfare of employees and to subscribe to charitable and other funds
- (u) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to create a Depreciation Fund, Insurance Fund General Reserve, Reserve Fund, Sinking Fund or any special or other funds or funds or account or accounts to meet contingencies, or to pay Redeemable Preference Shares, debentures or debentures-stock or special dividends, or for equalising dividends, or for repairing, improving, extending and maintaining any part of the property of the Company and/or for such other purposes (including the purposes referred to in the last two preceding clauses) as the Directors may, in their absolute discretion think conducive to the interests of the Company and to invest the several sums so set aside or as much thereof as are required to be invested upon such investments (subject to the restrictions imposed by the Act and these Articles) as the Directors To create depreciation and other funds

may think fit and from time to time to deal with and vary any such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they extend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or extended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund appropriated out of the net profits in the business of the Company or in the purchase or repayment of Redeemable preference Shares, debentures or debenture-stock and that without being bound to keep the same separately from the other assets and without being bound to pay or allow interests, on the same with power however to the Director at their discretion to pay, allow to the credit of such fund interest at such rate as the Directors may think proper.

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| To appoint or remove employees | (v) Subject to the provisions of the Act, to appoint and at their discretion remove or suspend managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and also without prejudice as aforesaid, from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in clause (x) (y) (z) and (aa) following shall be without prejudice to the general powers conferred by this clause. |
| To comply with local laws | (w) To comply with the requirements of any law which the Company is not bound to comply with but which in their opinion it shall be in the interests of the Company necessary or expedient to comply with. |
| Local Board | (x) To sell from time to time any articles, materials, machinery, plant, stores and other articles and things belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. |
| Extend the business and undertaking | (y) From time to time to extend the business and undertaking of the company by adding to, altering or enlarging all or any of the buildings, factories, workshops, premises plant and machinery, for the time being of the property or in the possession of the Company, or by erecting new or additional buildings, and to expend such sums of money for the purposes aforesaid or any of them as may be thought necessary or expedient. |
| To undertake payment | (z) To undertake on behalf of the Company the payment of all rents and performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company, and to purchase the reversion or reversions, and otherwise to acquire the free-hold-fee-simple of |

all or any of the lands of the Company for the time being held under lease, or for an estate less than freehold estate.

- (aa) To improve, manage, develop, exchange, lease, sell, re-sell and re-purchase, dispose of, deal with or otherwise turn to account, any property, (moveable or immovable), or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. To sell, re-sell etc.
- (bb) From time to time and at any time to establish any Local Board for managing any of the Company in any specified locality in India or elsewhere and to appoint any person to be members of any Local Board, or any managers or agents and to fix their remuneration. Power of Attorney
- (cc) Subject to the provisions of Section 179 of the Act and Article 185 from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or any managers or agents so appointed any of the powers, authorities and discretions for the time being vested in the Board of Directors and to authorize the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding such vacancies therein and any such appointment or delegating under clause (x) or this Article may be made on such conditions as the Board of Directors may think fit. The Board of Directors may at any time remove any persons so appointed and may annul or vary any such delegation. Delegate to local board.
- (dd) At any time and from time to time by Power of Attorney to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors, at a meeting of the Board under the Act or these Articles or by the Company in General Meeting) and for such period and subject to such conditions as the Board of Directors may from time to time think fit any such appointment may (if the Board of Directors think fit) be made in favour of the member or any of the members of any Local Board, established as aforesaid, or in favour of any Company, or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any body of persons whether nominated directly or indirectly by the Board of Directors and any such Power of Attorney may contain such powers for the protection or convenience of the persons dealing with such attorneys as the Board of Directors may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in them.
- (ee) Subject to the provisions of the Act and these Articles, to delegate the powers, authorities and discretions vested in the Directors to any person, firm company, or fluctuating body of persons as aforesaid. To delegate
- (ff) Subject to the provisions of the Act and these Articles, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, to enter into all such negotiations and contracts To enter into contracts, etc.

and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

To erect and build

(gg) To erect, construct, and build any factories, warehouses, godowns, engine house, tanks, wells or other constructions, adapted to the objects of the Company as may be considered expedient or desirable for the objects or purposes of the Company or any of them.

MANAGING DIRECTOR OR MANAGING DIRECTORS OR WHOLE TIME DIRECTOR OR WHOLE TIME DIRECTORS

Managing Director
or Managing
Directors

191. (a) Subject to the applicable provisions of the Act, promoters shall have the right, by writing collectively and addressed to the Board to designate one or more members of the Board as Managing Director or Managing Directors of the Company and the Board shall, within 14 days of the date of receipt of such writing, appoint such designate or designates as the Managing Director or Managing Directors of the Company. Promoters shall have the right by similar writing collectively addressed to the Board to require the Board to terminate the services of any Managing Director or Managing Directors of the Company and the Board shall, within 14 days of the receipt of such writing, terminate the services of any such Managing Director or Managing Directors. On a vacancy being caused in the office of the Managing Director from any cause whether by resignation, death, removal or otherwise, Promoters shall have the right to designate by writing collectively another or other Directors of the Board for such appointment or appointments and the Board shall proceed to appoint such designate/s in the same manner as hereinabove provided. The terms of appointment of the Managing Director or Managing Directors shall, subject to any approvals or consents that may be required under the Act from time to time, be such as are specified (with the power to vary such terms) by Promoters from time to time and the terms so specified shall be the terms on which the Managing Director or Managing Directors shall be appointed by the Board. The Managing Director or Managing Directors so applied shall have such powers exercisable upon such conditions and subject to such restrictions as the Board may, from time to time, determine.

(b) The rights conferred on Promoters by the foregoing sub-clause of this Article shall be exercisable by Promoters only so long as Promoters hold not less than 15 per cent of the paid up equity Share Capital of the company for the time being in the Manner specified in the Article 141(b)(i) to (v) of these Articles.

(c) If no person is designated as Managing Director by Promoters in exercise of the right conferred on them under clause (a) of this Article, the Board may, subject to the provisions of the Act and these Articles from time to time, appoint any of its members as the Managing Director or Managing Directors of the Company upon such terms and conditions as the Board may think fit, and subject to the provisions of the Act and these Articles, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine provided that the Managing Director or Managing Directors so appointed by the Board shall cease forthwith to be the Managing Director or Managing Directors of the Company upon Promoters designating a Managing

Director or Managing Directors in exercise of the right conferred on it under clause (a) of this Article.

(d) The remuneration of the Managing Director or Managing Directors may be, by way of monthly payment, fee for each meeting or participation in profits, or by any or all of these modes or in any other mode not expressly prohibited by the Act.

192. Subject to the provisions of the Act, the Managing Directors shall not, while he or they continue to hold that office, be subject to retirement by rotation save and except otherwise decided pursuant to Article 159. If he or they cease to hold the office of Director, he or they shall ipso facto and immediately cease to be the Managing Director or Managing Directors.

Managing Directors
not liable to retire by
rotation

193. (a) Subject to the applicable provisions of the Act, the Directors may in the alternative, from time to time after obtaining such sanction and approvals as may be necessary, appoint any individual or individuals as Manager or Managers for the Company and fix the terms of his remuneration subject to the provisions of the Act.

Appointment of
Manager

(b) A Manager so appointed shall exercise the powers and authorities conferred upon him by an Agreement entered into between him and the Company and/or by a resolution of the Board or General Meeting and shall be subject to the obligations and restriction imposed in that behalf by the Act.

194. The remuneration of the Managing Director or Managing Directors or wholetime Director or wholetime Directors (Subject to provisions of Section 197 and other applicable provisions of the Act and of these Articles and of any contract between him or them and the Company) shall be in accordance with the terms of his or their contract with the Company.

Remuneration of
Managing Director
and Whole time
Director

195. Subject to the provisions of the Act and to the terms of any Resolution of the Company in General Meeting or of any Resolution of the Board and to the term of any contract with him or them, the Managing Director or Managing Directors shall have substantial powers of management subject to the superintendence, control and direction of the Board of Directors.

Powers and Duties
of Managing
Director

WORKING OR EXECUTIVE DIRECTORS

196. (a) The Board may invite and appoint any expert person whose knowledge, experience, skill is useful to or where such appointment is in the interests of the Company.

Working or
Executive Directors

(b) A person appointed as Executive or Working Director shall not be deemed to be a member of the Board of Directors or any Committee thereof and shall not attend the Board Meetings except on invitation of the Board. On such invitation and advice he may participate in the deliberations but he shall have no right to vote.

(c) A Working or Executive Director need not hold any qualification shares.

(d) Subject to such terms and conditions as may be agreed upon a Working or Executive Director may be remunerated for his services.

(e) Subject to the superintendence, control and direction of the Board of Directors, the Managing Director, an Executive or Working Director may carry on such work, functions and assignments as are allotted to him.

KEY MANAGERIAL PERSONNEL

Key Managerial
Personnel

197. Subject to Section 203 of the Act and any other applicable provisions of the Act, the Company shall appoint by means of resolution of the Board, the following Key Managerial Personnel:

- a. Managing Director, or Chief Executive Officer or Manager and in their absence;
- b. a whole-time Director;
- c. Company Secretary; and
- d. Chief Financial Officer.

198. Every whole-time key managerial personnel of a company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.

199. A whole-time Key Managerial Personnel shall not hold office in more than one company except in its subsidiary company at the same time.

Provided that nothing contained in this Article shall disentitle a Key Managerial Personnel from being a Director of any company with the permission of the Board.

Provided also that the Company may appoint or employ a person as its Managing Director, if he is the Managing Director or Manager of one, and of not more than one, other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the Directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the Directors then in India.

If the office of any whole-time Key Managerial Personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy.

SECRETARY

Secretary

200. The Directors shall appoint a whole-time Secretary of the Company possessing the prescribed qualification for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be

removed by them. The main functions of the Secretary shall be the responsibility for maintaining Registers required to be kept under the Act and these Articles; for making the necessary returns to the Registrar of Companies under the Act and these Articles and for getting the necessary documents registered with the Registrar and for carrying out all other administrative and ministerial acts, duties and functions which a Secretary of a Company is normally supposed to carry out, such as giving the necessary notices to the members, preparing the agenda of meetings, issuing notices to Directors, preparing minutes of meetings of members and of Directors and of any Committees of Directors and maintaining minute books and other statutory documents, and he shall carry out and discharge such other functions and duties as the Directors or the Managing Directors may from time to time require him to do.

Functions of Company Secretary

- (1) The Functions of the Company Secretary shall include
 - (i) to report to the Board about compliance with the provisions of the Act, the rules made thereunder and other laws applicable to the company.
 - (ii) to ensure that the company complies with the applicable secretarial standards.
 - (iii) to discharge such other duties as may be prescribed. Duties of the Company Secretary

The duties of Company Secretary shall also discharge, the following duties, namely

- (1) to provide to the Directors of the Company, collectively and individually, such guidance as they may require, with regard to their duties, responsibilities and powers;
- (2) to facilitate the convening of meetings and attend Board, committee and general meetings and maintain the minutes of these meetings.
- (3) to obtain approvals from the Board, general meeting, the government and such other authorities as required under the provisions of the Act.
- (4) to represent before various regulators, and other authorities under the Act in connection with discharge of various duties under the Act.
- (5) to assist the Board in the conduction of the affairs of the company.
- (6) to assist and advise the Board in ensuring good corporate governance and in complying with the corporate governance requirements and best practices and

- (7) to discharge such other duties as have been specified under the Act or rules and .
- (8) such other duties as may be assigned by the Board from time to time.

REGISTERS, BOOKS AND DOCUMENTS

Registers, Books and Documents

201. (a) Company shall maintain all Registers, Books and Documents as required by the Act or these Articles including the following; namely:

- (i) Register of investments not held in the Company's name according to Section 187 of the Act;
- (ii) Register of Mortgages, Debentures and charges according to Section 85 of the Act;
- (iii) Register of Members according to Section 88 of the Act;
- (iv) Register of debenture holders according to Section 88 of the Act;
- (v) Register of other security holders according to Section 88 of the Act;
- (vi) Register of Contracts, Companies and Firms in which Directors are interested according to Section 189 of the Act;
- (vii) Register of directors and Key Managerial Personnel and their shareholding according to Section 170 of the Act;
- (viii) Books of Account in accordance with the provisions of Section 128 of the Act;
- (ix) Copies of instruments creating any charge requiring registration according to Section 85 of the Act;
- (x) Copies of Annual Returns prepared under Section 92 of the Act ;
- (xi) Register of Renewed and Duplicate Certificates according to Rule 6 of the Companies (Share Capital and Debenture) Rules, 1960.

(b) The said registers, books and documents shall be maintained in conformity with the applicable provisions of the Act and these presents and shall be kept open for inspection for such persons as may be entitled thereto respectively, under the Act and these present on such days and during such business hours as

may in that behalf be determined in accordance with the provisions of the Act and these Articles and extracts therefrom shall be supplied to those persons entitled thereto in accordance with the provisions of the Act and these Articles.

(c) The Company may keep a Foreign Register of Members, Debenture holders, other security holders or beneficial owners residing outside India in accordance with Section 88(4) of the Act.

THE SEAL

202. The Directors shall provide a Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being, and the Seal shall never be used except by or under the authority of the Director or a Committee of Directors previously given.

Seal of the Company

203. The Common Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or a Committee of the Board authorized by it in that behalf, and except in the presence of at least two Directors and Secretary or such other person as the Board may appoint for the purpose and who shall sign every instrument to which the seal of the Company is so affixed in their presence. In absence of the Director of the Company, the common seal of the Company shall be affixed by at least two Authorised Officers of the Company authorized in that behalf and such Authorised Officers shall sign every instrument to which the seal of the Company is so affixed in their presence.

Deeds how executed

204. The Directors and the Company shall also be at liberty to use an official seal in any territory, district or place outside India.

Seal Abroad

DIVIDENDS

205. The profits of the Company, subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up upon the shares held by them respectively. Provided always that any capital paid up or credited as paid up on a share during the period in respect of which a dividend is declared shall, unless the terms of issue otherwise provide, only entitle the holder of such shares to an apportioned amount of such Dividend proportionate to the capital from time to time paid up during such period on such share.

Division of Profits

206. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.

Capital paid up in advance at interest not to earn dividend

207. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.

Dividends in proportion to amount paid up

The Company in General Meeting may declare a Dividend

208. The Company in General Meeting may, subject to the provisions of Section 123 of the Act, declare a dividend to be paid to the members according to their respective rights and interests in the profits and subject to the provisions of the Act, may fix the time for payment. When dividend has been so declared, subject to the provisions of Section 127 of the Act, either the dividend shall be paid or the warrant in respect thereof shall be posted within 30 days of the date of declaration to the shareholders entitled to the payment of the same.

Powers of General Meeting to limit dividend

209. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or otherwise than in accordance with the provisions of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim Dividend

210. Subject to the provisions of the Act, the Directors may from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Right to dividend etc. pending registration of transfer

211. Wherein an instrument of transfer of shares of the Company has been delivered to the Company for the registration and the transfer of such shares has not been registered by the Company, it shall comply with the provisions of Section 126 of the Act in respect of the dividend, right, shares and bonus shares in relation to such shares.

No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereof

212. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons, and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

Right to dividend pending registration of transfer

213. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the Transfer.

214. No unclaimed or unpaid dividend shall be forfeited by the Board and unless otherwise directed any dividend may be paid by cheque or warrant sent through post or in any electronic mode to the Registered address of the member or person entitled or in case of joint holders to one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or other person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

215. The Company shall duly comply with the provisions of the Act in respect of a dividend declared by it but which has not been paid or claimed within thirty days from the day of declaration to any shareholder entitled to the payment of Dividend. And no unpaid dividend shall bear interest as against the Company.

Unpaid Dividend
remitted

216. Any General Meeting declaring a dividend may on the recommendation of the Directors makes a call on the members for such amount as the meeting fixes, but so that the call to each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so warranted between the Company and members, be set off against the call.

Dividend and Call
together

RESERVES AND CAPITALISATION

217. The Board may, before recommending any dividend in any financial year set aside out of the profits of the Company for that financial year such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit.

Reserves

218. (a) Any General Meeting may resolve that any amounts standing to the credit of the Share Premium Account, the Capital Redemption Reserve Account, or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus monies arising from the realization and where permitted by the law, from the appreciation in value of any General Reserve, or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend) be capitalized.

Capitalisation

- (i) By the issue and distribution as fully paid up shares or debentures of the Company; or
- (ii) By crediting shares of the Company which may have been issued to and are not fully paid up with the whole or any part of the remaining unpaid thereon.

Provided that any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

(b) Such issue and distribution under clause (a) (i) above and such payment to credit of unpaid share capital under clause (a) (ii) above shall be made to, among and in favour of the members of any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under clause (a) (i) or payment under clause (1) (ii) above shall be made on the footing that such members become entitled thereto as capital.

(c) The Directors shall give effect to any such resolution and apply such portion of the profits General Reserve or Reserve Fund or any other fund or Account as aforesaid as may be required for the purpose of making payment in full for the shares of the Company so distributed under clause (a) (ii) above or (as the case may be) or purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully Paid up under sub-clause (a) (ii) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.

(d) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the Distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for the distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangements for the acceptance allotment and sale of such shares and fractional certificates or otherwise as they may think fit.

(e) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalisation may be affected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares, and the partly paid shares, the sum so applied on the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amount then already paid or credited as paid on the existing fully paid shares respectively.

(f) When deemed requisite, a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

ACCOUNTS

Books of Account to
be kept

219. (a) As required by Section 128 of the Act, the Company shall keep at its Registered Office proper Books of Account and other relevant books and papers and Financial Statement for every financial year.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

Provided further that the Company may keep such books of account or other relevant papers in electronic mode in accordance with the Act.

(b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at the office shall be kept at that office, and proper summarised returns, made periodically shall be sent by the branch office of the Company to its Registered Office or other place as referred hereinabove.

(c) All the aforesaid books shall give a true and fair view of the state of affairs of the Company or its branch office, if any, and explain its transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.

(d) The Books of Account and other books and papers shall be open to inspection at the Registered Office of the Company or at such other place in India by any Director during business hours and in case of financial information, if any, maintained outside India, copies of such financial information shall be maintained and produced for inspection by any Director as per the Act. Provided that inspection in respect of any subsidiary of the Company shall be done only by the person authorised in this behalf by a resolution of the Board.

220. The Books of Account of the Company relating to a period of not less than eight financial years immediately preceding the current financial year together with the vouchers relevant to any entry in such Books of Account shall be preserved in good order.

Books of Account to be preserved

221. The Directors shall from time to time determine whether and what extent and what time and places and under what conditions and regulations the accounts and books of the Company or any of them shall be open to the inspection of the members not being Directors and no member (not being Director) shall have any right of inspection any account or books or documents of the Company except as conferred by law or authorized by the Directors or by the Company in General Meeting.

Inspection by members of accounts and books of the Company

222. At every Annual General Meeting, the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 129 of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Section 129, 134, 137 and Schedule III and any other relevant provisions of the Act so far as they are applicable to the Company.

Accounts to be furnished at General Meetings

223. There shall be attached to every Financial Statement laid before the Company a Report by the Board of Directors complying with the provisions of Section 134 of the Act.

Directors Report

224. The Company shall comply with the requirements of Section 136 of the Act.

Rights of members to copies of Balance Sheet and Auditors Report

ANNUAL RETURNS

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| Annual Returns | 225. The Company shall make and file the requisite Annual Returns in accordance with the provisions of Sections 92 and 93 of the Act. |
| Accounts to be Audited | 226. Once at least in every year the Books of Account of the Company shall be examined by one or more auditors in accordance with the relevant provisions contained in that behalf in the Act. |
| Appointment, powers etc. of Auditors | 227. The appointment, qualifications, removal, powers, rights, duties and remuneration of the Auditors shall be regulated by and in accordance with Section 139 to 146 (both inclusive) and any other applicable provisions of the Act. |
| Accounts when audited and approved to be conclusive except as to errors discovered within three months | 228. Save and except as provided in Section 130 and 131, Every Account when audited and approved by a General Meeting shall be conclusive. |

DOCUMENTS AND SERVICE OF DOCUMENTS

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| Manner of Service | <p>229. (a) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice requisition, order, declaration, form, and register maintained on paper or in electronic form) may be served or sent by the Company on or to any member either personally or sending it by post or speed post or registered post or courier service to him at his registered address or by electronic mode or (if he has no registered address in India) at the address, if any supplied by him to the Company.</p> <p style="margin-left: 40px;">(b) Where a document is sent by Post:</p> <p style="margin-left: 80px;">(i) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice, provided that a member may request to the Company in advance that documents should be sent to him in a particular mode for which he shall pay such fees as may be determined by the Company in its Annual General Meeting; and</p> <p style="margin-left: 80px;">(ii) such service shall be deemed to have been affected;</p> <p style="margin-left: 120px;">a. in the case of a notice of meeting, at the expiration of forty eight hours after the letter containing the notice is posted; and</p> <p style="margin-left: 120px;">b. in any other case, at the time at which the letter would be delivered in the ordinary course of post.</p> |
|-------------------|--|

230. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notice to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.
- Service on member having no registered address
231. A document may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a Member sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased or Assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such as address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency has not occurred.
- Service on person acquiring shares on death or insolvency of member
232. Subject to the provisions of the Act and these Articles notice of General Meeting shall be given:
- Persons entitled to notice of General Meetings
- (a) to members of the Company, legal representative of any deceased member or the assignee of an insolvent member;
- (b) to the Auditor or Auditors of the Company; and
- (c) every Director of the Company.
233. Subject to the provisions of the Act any document required to be served or sent by the Company on or to the members or any of them, and not expressly provided for by these presents shall be deemed to be duly served or sent if advertised once in one daily English and one daily vernacular newspaper circulating in the district in which the Registered Office of the Company is situated.
- Advertisement
234. Every person who by operation of law, transfer, or other names whatsoever, shall become entitled to any share shall be bound by every document in respect of such shares which previous to his name and address being entered on the Register, has been served on or sent to the person from whom he derives his title to such share.
- Members bound by document given to previous holders
235. Any document or notice to be given by the Company shall be signed by the Managing Director or Secretary or by such Director or Officer as the Directors may appoint and such signature may be written or printed or lithographed or may be in electronic form.
- Notice by Company and Signature thereto
236. All documents or notices to be given and on the part of the members to the Company shall be sent by post or speed post or courier service or by registered post to the Registered Office of the Company or by electronic mode.
- Service of notices by members

AUTHENTICATION OF DOCUMENTS

Authentication
of document and
proceedings

237. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company or contracts made by or on behalf of the Company may be signed by any Key Managerial Personnel or an Officer of the Company duly authorized by the Board in this behalf.

RECONSTRUCTION

Reconstruction

238. On any sale of the undertaking of the Company the Board or Liquidator on a winding up may, if authorized by a Special Resolution, accept fully paid or partly paid-up shares, debentures or securities of any other Company, whether incorporated in India or not, either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Board (if the profits of the Company permit) or the Liquidator (in a winding up) may distribute such shares or securities or any other property of the Company amongst the members without realization, or vest the same in trustees for them, and say Special Resolution may provide for the distribution or appropriation of cash, shares or other securities, benefit or property otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under the Act as are incapable of being varied or excluded by these Articles.

WINDING UP

Distribution of
Assets

239. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed among the members in proportion to the capital paid up at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to rights of the holders of shares issued upon special terms and conditions.

Distribution of assets
in specie or kind

240. (a) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of special Resolution but subject to the rights attached to any preference share capital, divide amongst the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributors or any of them, as the liquidators, with the like sanction shall think fit.

(b) If thought expedient any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part in case any such division shall be determined, any contributory who would be prejudiced thereby shall have right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to the provisions of the Act.

(c) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution, by notice in writing, intimate to the Liquidator to sell his proportion and pay him the net proceeds and the liquidator shall, if practicable, act accordingly.

241. A special Resolution sanctioning a sale to any other Company duly passed pursuant to the provisions of the Act may, subject to the provisions of the Act, in like manner as aforesaid determine that any shares or other consideration receivable by the liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the Act.

Right of Shareholders in case of sale

SECURITY CLAUSE

242. (a) Every director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company, shall if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transaction and affairs of the Company with the Customers and the state of the account with individuals and in relation thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Secrecy Clause

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

INDEMNITY AND RESPONSIBILITY

243. (a) Subject to the provisions of the Act every Director of the Company or the Managing Director, Manager, Secretary and other officer or employee of the Company and the Trustees (if any) for the time being acting in relation to any of the

Directors and others right to indemnity

affairs of the Company and every one of them shall be indemnified by the Company against, and it shall be the duty of the Directors out of funds of the Company to pay all costs, losses and expenses (including traveling expenses) which any such Director, Managing Director, Manager, Secretary or other officer or employee and the trustees (if any) for the time being acting in relation to any of the affairs of the Company may incur or become liable to by reason of any contract entered into or any act, deed or thing done by him as such Director, Officer, employee or trustees or in any way in the discharge of his duties.

(b) Provided that every Director, Managing Director, Manager, Secretary or other Officer or Employee of the Company or the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them 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 in which relief is given to him by the Court.

Directors and other
not responsible for
acts of others

244. Subject to the provisions of the Act no Director, the Managing Director or other officer of the Company shall be liable for the acts, omissions, neglect or default of any Director or Officer or for jointly in any omission or other act for confirmity or for any loss or expenses suffered by the Company through insufficiency or deficiency, of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from bankruptcy, insolvency, or tortuous act of any person Company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part or for any other loss or damages or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonestly.

Special objective

245. The Company shall have among its objective the promotion and growth of the national economy through increased productivity, effective productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations, and the Company shall be mindful of its social and moral responsibilities to the customers, employees, shareholders, society and the local community.

General Power

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

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION No. 66 OF 1968

connected with

COMPANY APPLICATION No. 39 OF 1968

CORAM: MADON J.

26th July 1968.

In the matter of Companies Act I of 1956;

And

In the matter of BRITISH DRUG HOUSES (INDIA) PRIVATE LIMITED, a company incorporated under the Indian Companies Act VII of 1913 and having its registered office at 19, Wittet Road, Ballard Estate, Bombay - 1.

BRITISH DRUG HOUSES (INDIA) PRIVATE LIMITED, a company incorporated under the Indian Companies Act VII of 1913 and having its registered office at 19, Wittet Road, Ballard Estate, Bombay - 1.

Petitioners

The Petitioner Company abovenamed by their Petition herein dated the seventh day of June One thousand Nine hundred and sixty-eight prays for the sanction of the compromise or arrangement embodied in the Scheme of Amalgamation dated the seventh day of June One thousand Nine hundred and Sixty-eight whereby the Petitioner Company as the Transferor Company may be amalgamated with Glaxo Laboratories (India) Private Limited as the Transferee Company and for other consequential reliefs as in the Petition abovementioned And the said Petition being this day called on for hearing and final disposal And Upon Reading the said Petition and the Order dated the Twenty-sixth day of April One thousand nine hundred and Sixty-eight made by this Honourable Court in Company Application No. 39 of 1968 whereby the said Petitioner Company was ordered to convene a General Meeting of the Shareholders of the Petitioner Company for the purpose of considering and if thought fit approving with or without modification the compromise or arrangement embodied in the Scheme of Amalgamation proposed to be made between the Petitioner Company and its Members and Glaxo Laboratories (India) Private Limited being the Transferee Company under

the said Scheme of Amalgamation and annexed as Exhibit "C" to the affidavit of Dr. Darius T. Mody filed on the fifteenth day of April One thousand Nine hundred and Sixty-eight And Upon Reading the Report dated the Twenty-fourth day of May One thousand Nine hundred and Sixty-eight of Darius T. Mody, the Chairman of the Meeting of the Shareholders of the Transferor Company held on the Twentieth day of July One thousand Nine hundred and Sixty-eight as to the result of the meeting And Upon Reading the Report dated the Twentieth day of July One thousand Nine hundred and Sixty-eight of the Official Liquidator And Upon Reading the affidavit of Darius T. Mody filed on Seventh day of June One thousand Nine hundred and Sixty-eight in support of the Petition abovenamed And Upon Perusing the issues of the "Indian Express" and "The Bombay Samachar" dated the Twenty-eighth day of June One thousand Nine hundred and Sixty-eight each containing the advertisement of the Notice of hearing of the Petition And Upon Reading the affidavit of Nurani Seshan Anantheswaran filed on the Nineteenth day of July One thousand Nine hundred and Sixty-eight proving publication of the said Notice in the said issues of the "Indian Express" and "The Bombay Samachar" And Upon Reading the Affidavit of Prabhakar Harishchandra Joshi filed on the Twentieth day of July One thousand Nine hundred and Sixty-eight proving service of the Notice of the hearing of the Petition upon the Creditors And Upon Hearing Mr. N.R. Mody, Advocate for the Petitioners abovenamed, in support of the Petition, Mr. G.A. Thakkar, Advocate for Glaxo Laboratories (India) Limited being the Transferee Company who also appears in support of the said Petition and Mr. Kirtikar, Advocate, for the Company Law Board and the Registrar of Companies, Maharashtra, and it appearing from the aforesaid Report that the said compromise or arrangement embodied in the said Scheme of Amalgamation has been approved unanimously by the members present and voting in person or by proxy in the said Meeting THIS COURT DOTH HEREBY ORDER that the said compromise or arrangement embodied in the said Scheme of Amalgamation referred to in paragraph 8 of the Petition abovenamed and set forth in Schedule 1 hereto annexed be and it is hereby sanctioned subject to the necessary permission being obtained from the Reserve Bank of India and the Controller of Capital Issues for the issue and allotment of 8,00,000 Preference Shares of Rs. 10/- each in the Transferee Company to the non-residents AND THIS COURT DOTH HEREBY DECLARE that subject to the aforesaid approval of the Reserve Bank of India and the sanction of the Controller of Capital Issuer the said Scheme of amalgamation be binding on all the members of the Petitioner Company and also on Glaxo Laboratories (India) Limited AND THIS COURT DOTH FURTHER ORDER that all and singular the entire estate right title interest property claim and demand of the Petitioner Company (hereinafter called "the Transferor Company") specified in Schedule II hereto annexed and all the other property rights powers claims including permits import and other licences quota rights trade marks copyrights of the Transferor Company be transferred to and vest without any further act or deed in Glaxo Laboratories (India) Limited (hereinafter called "the Transferee Company") and accordingly the same shall pursuant to Section 394(2) of the Companies Act I of 1956 be transferred to and vested in the Transferee Company with effect from the commencement of business on the First day of July One thousand Nine hundred and Sixty-eight for all estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same AND THIS COURT DOTH FURTHER ORDER that all

and singular the existing debts, obligations, liabilities and duties of the Transferor Company at and from the commencement of business on the said First day of July One thousand Nine hundred and Sixty-eight be and the same are hereby transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act I of 1956 be transferred to and become the debts, obligations, liabilities and duties of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all actions suits or proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that the Transferor Company and the Transferee Company do within thirty days after the date of this Order cause a certified copy of this Order to be registered with the Registrar of Companies Maharashtra, Bombay, and on such certified copy being so registered or on such date or dates as the aforesaid approval of the Reserve Bank of India and the sanction of the Controller of Capital Issues are obtained whichever is the latter the Transferor Company shall be dissolved without being wound-up and the Registrar of Companies, Maharashtra, Bombay, shall place all documents relating to the Transferor Company and registered with him on the file and records kept by him in relation to the Transferee Company and the files relating to the said two companies aforesaid shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the Petitioners do pay the costs of the Petition fixed at Rs. 300/- (Rupees three hundred) to the Company Law Board and the Registrar of Companies, Maharashtra, AND THIS COURT DOTH LASTLY ORDER that the parties to the compromise or arrangement embodied in the said Scheme of Amalgamation or other person interested shall be at liberty to apply to this Honourable Court for directions as may be necessary WITNESS SOHRAB PESHOTAN KOTVAL, Esquire, Chief Justice at Bombay aforesaid this Twenty-sixth day of July One thousand Nine hundred and Sixty-eight.

By the Court,

Seal

Sd/- V. N. Kulkarni

Sd/- S. P. Dhanboora

For Prothonotary & Senior Master

Sealer

This 10th day of August 1968.

Order sanctioning Scheme of Amalgamation under Sections 391 and 394(2) of the Companies Act I of 1956 drawn on the Application of Messrs. Crawford Bayley & Co., Attorneys for the Petitioners.

SCHEDULE I

SCHEME OF AMALGAMATION OF BRITISH DRUG HOUSES (INDIA) PRIVATE LIMITED WITH GLAXO LABORATORIES (INDIA) PRIVATE LIMITED

1. This Scheme shall take effect, subject to the consent of the shareholders of British Drug Houses (India) Private Limited, (hereinafter called "the Transferor Company") and of Glaxo Laboratories (India) Private Limited, (hereinafter called "the Transferee Company") and subject to the provisions of Sections 391 and 394 of the Companies Act, 1956. This Scheme shall also be subject to the permission of the Reserve Bank of India being obtained for the issue and allotment to non-resident shareholders of the Transferor Company of equity/preference shares in the Transferee Company as may be required in terms of this Scheme to be issued and allotted to non-residents. The subsequent paragraphs shall take effect subject to the provisions of this paragraph.

2. The entire undertaking of the Transferor Company (including all property, Industrial and other licences and quota rights, leases, tenancies and all the benefits due or accruing or arising under all agreements, and all rights and powers) (hereinafter referred to as "the Undertaking") as at the commencement of business on the 1st day of July, 1968 shall without further act or deed be vested in the Transferee Company pursuant to Section 394 of the Companies Act, 1956 with effect from the commencement of business on the 1st day of July, 1968.

3. All the liabilities and duties of the Transferor Company shall also be taken over by the Transferee Company with effect from the commencement of business on the 1st day of July, 1968 without further act or deed pursuant to the said Section 394 so as to become the liability and duty of the Transferee Company.

4. On such vesting all proceedings pending (at the date when the Scheme becomes operative) by or against the Transferor Company shall on and from such date on which the Scheme becomes operative be continued by or against the Transferee Company.

5. In respect of the Undertaking to be vested as set out in the Scheme, the Transferor company shall be deemed to have been carrying on and to be carrying on business for and on account of the Transferee Company as from the commencement of business on the 1st day of July, 1968 until the undertaking becomes vested in the Transferee company, by an Order of the High Court of Judicature at Bombay. The Transferor company hereby undertakes to carry on business until the completion of amalgamation with the utmost prudence and not without the concurrence of the Transferee company to alienate, during the pendency of this Scheme, any of its fixed assets. Profits accruing or losses arising after the 30th day of June, 1968 to the Transferor company upto the date of amalgamation shall for all purposes be treated as profit or losses of the Transferee company.

6. The Authorised Capital of the Transferor company is Rs. 2,00,00,000 divided into 20,00,000 shares of Rs. 10 each. The Authorised Capital of the Transferee company is Rs. 10,00,00,000 divided into 1,00,00,000 shares of Rs. 10 each. The issued and paid-up capital of the Transferor company is Rs. 60,00,000 divided into 6,00,000 shares of Rs. 10 each. The

issued and paid-up capital of the Transferee company is Rs. 3,00,00,000 divided into 30,00,000 shares of Rs. 10 each.

7. In consideration of the vesting of the Transferor company's undertaking in the Transferee company (subject to the liabilities, duties and covenants as aforesaid) in terms of this Scheme, the Transferee company shall issue to the members of the Transferor company, standing on its Register of Member on 30th June, 1968, 8,00,000 preference shares of the face value of Rs. 10 each credited as fully paid up in the Transferee company for 6,00,000 Ordinary fully paid up shares of Rs. 10 each of the Transferor company held by the shareholders thereof on the said date in the proportion of 4 Preference shares for every three Ordinary shares (fractions upto 1/3 Preference share being ignored and above 1/3 Preference shares being treated as one share). The Preference shares to be issued as aforesaid shall confer upon the holders thereof the right, out of the profits of the earlier financial years and any reserve fund representing profits of the previous years of the Transferee company, resolved under its Articles of Association to be distributed, to a fixed cumulative preferential dividend at the rate of 9% per annum (subject to a deduction of tax at the prescribed rates) in respect of any financial year commencing 1st July 1968 and shall rank in a winding up as regards the capital and payment of arrears of dividend down to the commencement of winding up in priority to the Equity Shares of the Transferee company but shall not confer the right to any further participation in profits or assets. Upon an increased of the capital by the Transferee company, the Transferee company will be at liberty to issue any new shares with any preferential, qualified or special rights, privileges or conditions attached thereto.

8. So much of the Share Capital of the Transferee company as may be necessary, shall be appropriated to the said members of the Transferor company in proportions and manner provided by clause 7 above and shall, with all reasonable despatch after this Scheme shall have become operative, be allotted and issued credited as fully paid up to such members accordingly.

9. On a majority in number, representing three-fourth in value of the members of the Transferor company present and voting either in person or by proxy at the meeting of the shareholders of the Transferor company, to which this Scheme shall be submitted as required by Section 391 of the Companies Act, 1956, agreeing to this Scheme, the Transferee company shall in terms of this Scheme and with the previous consent thereto of their shareholders soon thereafter enter into an agreement with the Transferor company for vesting in the Transferee company of the Undertaking of the Transferor company (subject to the liabilities, duties and covenants as aforesaid) as from the commencement of business on the 1st day of July, 1968. Such agreement shall contain an undertaking by the Transferor company to proceed with reasonable despatch with the necessary application to the Court for the purposes of obtaining an Order or Orders under Section 394 of the Companies Act, 1956, for carrying into effect this Scheme and also an undertaking by the Transferee company to join in such application, if necessary.

10. A statement of account of the Transferor company shall be made in accordance with the requirements of the Income-tax Act and the Companies Act for the period ending 30th day of June, 1968 and the Transferor company shall be entitled to distribute by way of dividend the distributable profits or such substantial portion thereof as the Transferor company may determine, to the shareholders of the Transferor company whose names appear on the Register

of Members of the Transferor company as at the close of business on 30th day of June, 1968.

11. The vesting of the undertaking to be made under this Scheme shall, when sanctioned by the Court, take effect as from the commencement of business on the 1st day of July, 1968.

12. This Scheme is conditional until all, but shall be operative as soon as but not before the last of the following three conditions, has been fulfilled, viz:

- (a) The Transferee company shall have entered into an effective agreement for the vesting of the undertaking of the Transferor company as herein before provided and the Sanction of the High Court of Judicature at Bombay shall have been obtained and made effective in accordance with the procedure prescribed by Sections 390 to 394 of the Companies Act, 1956;
- (b) Such consent of the Reserve Bank of India as may be necessary for the issue and allotment to non-resident shareholders of the Transferor company of the shares in the Transferee company as may be required to be issued and allotted in terms of this Scheme; and
- (c) Such consent of the Controller of Capital Issues as may be necessary for the issue and allotment of shares of the Transferee company to the shareholders of the Transferor company as may be required to be issued and allotted in terms of this Scheme.

13. The Transferee company (by its Directors) and the Transferor company (by its Directors) may consent on behalf of all persons concerned to any modification of the Scheme or to any conditions which the Court may think fit to impose or which may otherwise be considered necessary.

14. For the purpose of giving effect to this Scheme, the Directors of the Transferee company are authorised to give such directions as may be necessary or desirable and to settle any question of doubt or difficulty whatsoever including any question of doubt or difficulty that may arise with regard to the issue and allotment of the new shares to the Transferee company as they may think fit.

15. All costs and expenses of the Transferor company and the Transferee company of carrying this Scheme into effect and of the amalgamation shall be borne and paid by the Transferee company.

Certified to be a true copy.

Sd/- S. P. Bhatia

Lt. General S. P. Bhatia,

Vice-Chairman,

British Drug Houses (India) Pvt. I.td.

SCHEDULE II

PARTICULARS OF THE PETITIONER'S UNDERTAKING

PART I

Freehold Property of the Petitioner

1. Piece and parcel of Land situate at Village Majiwade, District Thana, admeasuring about 19 acres and 19 gunthas, bearing Survey No. 180.
2. Ownership flat No. 15 in Darbhanga Mansion, Carmichael Road, Bombay 26.

PART II

Leasehold Property of the Petitioner

1. Third floor premises in Crescent House, 19 Wittet Road, Ballard Estate, Bombay I, admeasuring 18,000 sq. ft. (approx.)
2. Premises occupied by the Petitioner as monthly tenant:
 - (a) Premises at 58/C, 58/D and 58/G (Part), Chowringhee Road, Calcutta 16.
 - (b) Premises at Harbans Singh Street, 24, Daryanganj, Delhi 6.
 - (c) Premises at 99, Nyniappa Naick Street, Park Town, Madras 3.
 - (d) Two warehouses situated at 347A, Sayani Road, Worli, Bombay 28.
 - (e) Flat at C-2, Daisylea, Off Mt. Pleasant Road, Bombay 6.
 - (f) Flat at 14 Kailas, Pedder Road, Bombay 26.

PART III

1. Buildings erected on freehold lands
2. Plant, machinery, installations, equipments, vehicles and fixed assets
3. Stock-in-Trade
4. Sundry Debtors.

5. Loans and Advances

6. Cash and Bank Balances

7. Trade Marks:

| <u>Trade Name</u> | <u>Class</u> | <u>Number</u> |
|-------------------|--------------|---------------|
| AIRBRON | 5 | 227188 |
| ALGISTAT | 1 | 185223 |
| AMBIFORN. | 5 | 152573 |
| ANACARDON E | 5 | 9592 |
| ANACOBIN | 5 | 141288 |
| ANAFOLIN | 5 | 145071 |
| ANAHAEMIN | 5 | 9603 |
| ANCOFET | 5 | 232119 |
| ANCOLAN | 5 | 158865 |
| ANCOLOXIN | 5 | 177606 |
| ANEUVTT | 5 | 131424 |
| B.D.H. Letters | 1 | 7457 |
| B.D.H. Letters | 5 | 7458 |
| BIODISC | 5 | 205791 |
| BISOXYL | 5 | 9597 |
| CHOLECTRIN A | 5 | 108900 |
| COBADEX | 5 | 185987 |
| CODOQUIN | 5 | 144198 |
| CONTRAMIN E | 5 | 9605 |
| DILOSYN | 5 | 213458 |
| DULSOL | 5 | 206842 |
| DULSOL | 30 | 212026 |
| DUOGEN | 5 | 155767 |
| DYLOFORM | 5 | 141006 |
| ENTACYL | 5 | 162776 |
| ENTAIR | 5 | 216787 |
| EPHEDYL | 5 | 150111 |
| ERYTHREMIN | 5 | 146039 |
| ETHIODAN | 5 | 128098 |
| FERBELAN | 5 | 154400 |
| FOLISCORB | 5 | 164671 |
| HEROGEN | 5 | 162084 |
| HYPNESIN | 5 | 153847 |
| IODATOL | 5 | 113566 |
| LABOLENE | 3 | 197683 |
| LABOLENE | 1 | 198870 |
| LIVADDEX | 5 | 9610 |

| | | |
|-------------------|----|--------|
| LIVOGEN | 5 | 9596 |
| LIXAVEL | 5 | 152574 |
| LUTOFORM | 5 | 149240 |
| MECLOTIN | 5 | 213459 |
| MULTIVITE | 5 | 9600 |
| MYANESIN | 5 | 127008 |
| NEUROSTERON | 5 | 184881 |
| NEUTRASIL | 5 | 9609 |
| NUFERTABS | 5 | 141007 |
| NYCIL | 5 | 147987 |
| OESTROFORM | 5 | 9607 |
| OVISEC | 5 | 223697 |
| OXEIHAMOL | 5 | 180014 |
| PANACIDE | 1 | 185224 |
| PARVOL | 5 | 199021 |
| PECTAMOL | 5 | 177623 |
| PROGORAL | 5 | 131425 |
| PROKAYVIT | 5 | 9608 |
| PROPCO | 5 | 189546 |
| PROPONESIN | 5 | 180412 |
| RADIOMALT | 5 | 9613 |
| RADIOMALT | 31 | 9612 |
| RADIOMULSIN | 5 | 9589 |
| RADIOSTOLEUM | 5 | 9590 |
| SECRODYL | 5 | 193473 |
| SECROSTERON | 5 | 184405 |
| SENAGRAN | 5 | 198891 |
| SOMALIN | 5 | 214255 |
| SOMNESIN | 5 | 54256 |
| SONAFORM | 5 | 144193 |
| SUGALIN | 30 | 206843 |
| TERCIN | 5 | 158374 |
| TESTAFORM | 5 | 131427 |
| TESTAFORM | 5 | 9606 |
| TROX | 5 | 194383 |
| VISCARDAN | 5 | 150604 |
| VOLPAR | 5 | 9618 |
| VOLPAR APPLICATOR | 10 | 135079 |
| VYESTIN | 5 | 144197 |
| VOLIDAS | 5 | 216979 |
| VOLDYS | 5 | 225277 |
| VOLDET | 5 | 240617 |
| VOLMEG | 5 | 240616 |
| ARISTAR | 1 | 241568 |

List of Pending Applications

| <u>Marks</u> | <u>Class</u> | <u>Number</u> | <u>Date of Application</u> |
|--------------|--------------|---------------|----------------------------|
| LACTALI PLUS | 5 | 245557 | 13.11.67 |
| VIBELAN | 5 | | 17. 5.68 |
| VALIBROM | 5 | | 17. 5.68 |

8. Licences, Registrations, Quota Certificates, Insurance Policies, etc.:
- (a) Registrations, Licences and Permissions under the Industries (Development & Regulations) Act, 1950.
 - (b) Quota Certificates held under the Import Trade Control.
 - (c) Import licences held on 1-7-1960 and any received thereafter.
 - (d) Registration as Manufacturer Exporter of the Basic Chemicals, Pharmaceuticals and Soaps Export Promotion Council.
 - (e) Drugs Licences for Import, Sale, Manufacture for sale, manufacture on behalf of third parties and test and analysis purposes.
 - (f) Central Excise Licences.
 - (g) Licences under the Medicinal & Toilet Preparation (Excise Duties) Act.
 - (h) Licences under the Bombay Prohibition Act, 1949.
 - (i) Licences under the Arms Act.
 - (j) Licences under the Poisons Act.
 - (k) Registration Certificate under the Shops and Establishments Act.
 - (l) Central and State Sales Tax Certificates, Registration, Recognition and Licence.
 - (m) Registration and Licence under the Factories Act, 1948.
 - (n) Registration under the Steam, Boiler & Smoke Nuisances Act.
 - (o) Registration certificates of vehicles under the Motor Vehicles Act.
 - (p) All Insurance Policies held by the Company as on 1st July, 1968.
 - (q) Registration as Approved Suppliers to Central and State Government Departments, Research Institutions and Companies in Private and Public Sector.

- (r) Licence under the Explosives Act.
- (s) Permissions and 'No Objection' Certificates issued by the Director of Industries, Maharashtra State.
- (t) Power Quota issued by the Tata Hydro-Electric Power Supply Company.
- (u) Municipal Water Quota for industrial purposes.

9. Registered User rights:

Registered User of registered trade mark No. 180436 (Jectofer) of Messrs. Aktibolaget Astra, Sodertalje, Sweden - Valid upto 11th June, 1970 and subject to the conditions mentioned in the Registrar of Trade Marks Office letter No. PK(RU)-23 10/37729 dated 5th February, 1964 and agreed to by us.

Pending application for grant of Registered User rights in trade mark 'AnalaR' No. 9621 in Class I of AnalaR Standards Ltd., London.



Certified to be a true copy
This 10th day of August 1968.
Sd/
for Prothonotary & Senior Master

Copy of Name Licence Agreement dated 20th April, 1989

THIS AGREEMENT made this 20th day of April 1989 BETWEEN GLAXO GROUP LIMITED, a Company incorporated under the laws of England and having its registered office at Clarges House, 6 -12 Clarges Street, London W1Y 8 DH, England (hereinafter called "Group" which expression shall unless expressly excluded; by or repugnant to the context be deemed to include its successors in business whether under the same name or any other style or name and whether incorporated or unincorporated) of the One Part AND GLINDIA LIMITED, a Company incorporated under the Companies Act, 1913 and having its registered office at Dr. Annie Besant Road, Bombay 400 025, India (hereinafter called "Indian Company") of the Other Part.

WHEREAS Group is the single largest shareholder of the Indian Company and no other group's or body's shareholding exceeds Group's shareholding in the Indian Company.

AND WHEREAS Group is the exclusive owner in India of the expression "GLAXO" whether used as trading or business style or as trade mark or otherwise howsoever.

AND WHEREAS at the request of the Indian Company, Group has agreed to the Indian Company changing its name by using the word "GLAXO" as part of its Corporate name, subject however to the terms and conditions hereinafter set forth.

NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED TO BY AND BETWEEN THE PARTIES HERETO as follows -

1. Group hereby grants to the Indian Company a non-exclusive, non-assignable, revocable licence and permission to use the word "GLAXO" as part of its Corporate name.
2. There is no royalty, fee, commission or other remuneration payable by the Indian Company to Group under, by virtue of or pursuant to this Agreement for the licence hereunder granted and the only consideration under this Agreement shall be the mutual covenants and obligations given and undertaken by the parties hereunder.
3. (a) Group shall be entitled by giving six months' notice in writing expiring on any date to the Indian Company to revoke the licence and permission granted in Clause I hereof in any of the following events:
 - i) The Indian Company committing a breach of any Registered User Agreements in respect of Group's trade marks subsisting as of now or at any time during the pendency of the Agreement.
 - ii) Group terminating for any reason any Agreement referred to in (i) above.
 - iii) Group's equity holding in the Indian Company being reduced from its present level.

- iv) The Article set out in the Schedule which is to be inserted in the Articles of Association of the Indian Company being changed by act of the shareholders of the Indian Company or the efficacy of such Article is vitiated wholly or in part by operation of law or otherwise howsoever, which change or vitiation in Group's Board's opinion is prejudicial to its interest.
 - v) Any change in the Articles of Association of the Indian Company or vitiation of any provision thereof brought about by operation of law or otherwise howsoever and which change in Group's Board's opinion is prejudicial to its interest.
 - vi) Group, for any reason outside its control, is unable to exercise any of the rights including voting rights attaching to its shareholding in the Indian Company.
 - vii) Upon the introduction of any legislation or regulation compulsorily transferring or otherwise depriving the shareholders of the Indian Company or any of them of any of their shares.
- (b) Group shall be entitled to terminate this Agreement on the happening of any event or events which in Group's Board's opinion is prejudicial, to its interest by giving to the Indian Company not less than twelve months' notice in writing and such notice shall be deemed to have been duly given ninety-six hours after its despatch by prepaid registered post addressed to the Indian Company at its Registered office.
- (c) This Agreement shall determine forthwith and without notice if the Indian Company passes a resolution to go into liquidation or winding-up order is made against it or suffers appointment of a Receiver of the whole or any part of its assets or makes any arrangement or composition with its creditors whatsoever.
4. A copy of a resolution of the Group's Board expressing an opinion on any of the matters referred to in Clauses 3(a) (iv), 3(a)(v), 3(b) and 5(iii) herein contained shall, if certified by a Director or Secretary of Group, be conclusive evidence of the opinion having been formed by Group's Board.
5. On Group revoking the licence or terminating this Agreement in accordance with the terms of this Agreement and/or this Agreement determining as provided hereinabove the Indian Company shall forthwith take effective steps in this behalf and shall within 180 days from the date of receipt of such notice [which period shall be deemed to be 365 days in the event of termination under Clause 3 (b)].
- i) discontinue the use of the word "GLAXO" as part of its Corporate or trade name or business or trading style;
 - ii) take all such steps as may be necessary, including the passing of a special resolution at a general meeting and approval of the Government of India, for the purpose of changing its Corporate name as aforesaid;

- iii) adopt a new corporate name trade name business or trading style which shall not consist of or include any word or expression which in Group's Board's opinion bears any resemblance or similarity to the word "GLAXO" or is likely to be confused therewith or which shall not consist of or include any name or word which in Group's Board's opinion is an abbreviation thereof or coined therefrom or any other word, name, logo, expression or device in any language, alphabet or script similar phonetically or in sound, appearance or meaning or otherwise howsoever to the said Corporate name and the logo as may be likely to cause confusion or to detract from or adversely to affect the right, title or interest of Group in or to the Corporate name or part thereof or the logo except to the extent permitted in writing by Group. Provided, however, that nothing contained hereinabove shall limit or affect in any way the right of the Indian Company to use the word "Glindia" as, or as part of, its Corporate name, trade name, business or trading style.
6. The Indian Company acknowledges the exclusive ownership, right, title and interest of Group into or upon the word "GLAXO" and undertakes that it shall not at any time do or cause to be done any act, deed, matter or thing to contest or in any way- impair or affect such ownership, right, title or interest.
7. Subject to the provisions of Clause 8 hereinafter, nothing herein contained shall be construed as conferring on the Indian Company any right, title or interest whatsoever to in or upon the word "GLAXO" other than the permission and licence to use the word "GLAXO" hereby granted.
8. The licence granted under this Agreement is independent of, in addition to and without prejudice to the rights and obligations of either party under the agreements referred to in Clause 3(a)(i) herein.
9. The Indian Company shall ensure that, at the General Meeting at which a resolution to change the name of the Indian Company to a name including the word "GLAXO" is considered, an Article in terms of the draft Article set out in the Schedule hereto shall be inserted in the Indian Company's Articles of Association and should circumstances so require at Group's request make such amendments and execute such documents as may be required by Group to the end and intent that the purpose and object of this Agreement shall be fully and effectually achieved.
10. (a) Group shall be entitled to assign either wholly or partially its rights and benefits under this Agreement to any other person firm or body corporate.
- (b) The licence granted hereunder is personal to the Indian Company and shall not be assignable or transferable or sub-licensable by the Indian Company to any other entity either by operation of law, order of a Court, act of parties or otherwise.

THE SCHEDULE ABOVE REFERRED TO

Article to be inserted in the Indian Company's Articles of Association -

The Company has entered into an Agreement dated the 20th day of April 1989 with Glaxo Group Limited (Group), a copy of which, for convenience, is annexed hereto and the same shall form and be treated as part of these Articles.

Under the said Agreement, it is, inter alia, agreed that Group shall, by giving notice to the Company as provided in the Agreement, be entitled to revoke the licence and permission granted to the Company to use the word "GLAXO" as part of its Corporate name or terminate the Agreement or the Agreement determining as therein provided whereupon the Company shall forthwith take steps in this behalf and shall, inter alia, within one hundred and eighty days, or within three hundred and sixty-five days in certain circumstances, from the date of receipt of such notice -

- i) discontinue the use of the word "GLAXO" as part of its Corporate or trade name or business or trading style, and;
- ii) take all such steps as may be necessary for the purpose of changing its Corporate name as aforesaid. Any new Corporate name, trade name, business or trading style which the Company may adopt shall not consist of or include any word or expression which in the opinion of Group bears any resemblance or similarity to or is likely to be confused with the word "GLAXO".

The terms and conditions contained in the Agreement shall constitute an integral part of these Articles, and nothing contained in these Articles shall affect the said Agreement. This Article shall be binding on both the Company and the Members and all the Members of the Company shall be deemed to have undertaken to exercise their rights as Members and specially their voting rights in such manner as would enable the Company fully to comply with, effectuate and implement the provisions of the Agreement and of this Article, and every Member shall be deemed to have joined the Company on the foregoing basis.

IN WITNESS WHEREOF the parties hereto have executed these presents the day and year first hereinabove written.

The Common Seal of the above named GLAXO GROUP)
 LIMITED was hereunto affixed in the presence of:) Seal
)

Sd/-

H. McCorquodale DIRECTOR

Sd/-

D. J. G. White SECRETARY

The Common Seal of the above named GLINDIA)
 LIMITED was pursuant to a Resolution of its Board of)
 Directors passed in that behalf on the 19th day of April) Seal
 1989 hereunto affixed in the presence of:

Sd/-

N. M. Wagle DIRECTOR

Sd/-

M. B. Kapadia SECRETARY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
 ORDINARY ORIGINAL CIVIL JURISDICTION
 COMPANY PETITION NO. 451 OF 2001
 CONNECTED WITH
 COMPANY APPLICATION NO. 138 OF 2001

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 Glaxo India Limited;

And

In the matter of Scheme of Arrangement for
 the amalgamation of Smith Kline Beecham
 Pharmaceuticals (India) Limited with Glaxo
 India Limited

| | | |
|---|---|----------------|
| Glaxo India Limited; a Company incorporated under |) | |
| the Indian Companies Act, 1913 and having its |) | |
| Registered Office at Dr. Annie Besant Road, |) | |
| Mumbai - 400 030. |) | ... Petitioner |

Coram: R. J. Kochar J.

Date: 7th September, 2001

UPON THE PETITION of Glaxo India Limited, the Petitioner Company abovenamed, presented to the Hon'ble Court on the 18th day of April, 2001 for sanction of the arrangement embodied in the Scheme of Amalgamation of SmithKline Beecham Pharmaceuticals (India) Limited (hereinafter referred to as "the Transferor Company") with Glaxo India Limited (hereinafter referred to as "the Transferee Company" or "the Petitioner Company") AND for other consequential reliefs as mentioned in the Petition and the Petition being this day called on for hearing and final disposal and UPON READING the said Petition and the Affidavit of Mr. R. V. Rajagopal, General Manager, Finance and Company Secretary of the petitioner Company solemnly affirmed on the 18th day of April, 2001 verifying the said Petition AND UPON READING the affidavit dated the 11th day of June, 2001 of Mr. Shirang Shrimani, Advocate for the Petitioner Company proving publication of notice of hearing the Petition in

the issue of "Indian Express" and "Loksatta" both on 15th day of May, 2001 AND UPON READING the Affidavit dated 11th day of May, 2001 of Mr. Bhagwan W Sawant proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the Affidavit dated 11th day of June, 2001 of Mr. R. V. Rajgopal, proving despatch of notice of hearing of the Petition to individual creditors of the Transferee Company whose claim is Rs.50,000/- and above AND UPON READING the Order dated 28th day of February, 2001 made by this Hon'ble Court in Company Application No.138 of 2001 whereby the Petitioner Company was directed to convene and hold meeting, of its equity shareholders for the purpose of considering and if thought fit approving the arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company And meeting of Secured Creditors of the Petitioner Company was dispensed with in view of the consent in writing given by the Secured Creditors of the Petitioner Company annexed as Exhibits "F" to "J" annexed to the Affidavit in Support of Company Application No. 138 of 2001 And the meeting of the unsecured creditors of the Petitioner Company was dispensed with in view of the averments made by the Petitioner Company to give notice of hearing of the Petition to individual unsecured creditors in paragraphs 33 and 34 of the Affidavit in support of Company Application No. 138 of 2001 and UPON READING the Affidavit dated 29th day of March, 2001 of Mr. R. V. Rajgopal proving despatch of notice convening meeting to individual Equity Shareholders and also proving publication of notice convening meeting of Equity Shareholders of Petitioner Company in the issue of "Indian Express" and "Loksatta" both dated 16th day of March, 2001 AND UPON READING the Report dated 13th day of April, 2001 of Mr. D. S. Parekh, Chairman of the meeting of the equity share holders of the Petitioner Company as to the results of the said meeting AND UPON READING the affidavits of Mr. D. S. Parekh dated the 17th day of April, 2001 verifying the said report AND IT APPEARS from the said Report of the Chairman that the arrangement embodied in the Scheme of Amalgamation of Transferor Company with the Transferee Company has been approved by requisite majority in number of equity shareholders of the Petitioner Company representing more than three fourth in value of the Equity Shareholders present at the meeting AND UPON READING the Affidavit dated the 2nd June, 2001 of Mr. Deepakkumar Jayantilal Shah, the intervenor / obligator claiming that valuation of the share exchange ratio determined by the firms of Chartered Accountants is not fair and reasonable and on that ground opposing the Scheme of Amalgamation of the Transferor Company with the Petitioner Company /AND UPON READING the letter dated 31st day of May, 2000 of Mr. Dayanand Sureka, a shareholder of both the Transferor and the Transferee Company who appeared in person claiming that the share exchange ratio determined by the firms of Chartered Accountants is not fair and affects the interest in the Transferor Company and on that ground opposing the Scheme of Amalgamation of the Transferor Company with the Petitioner Company AND UPON HEARING Mr. Gaurav Joshi with Mr. Sanjav Buch, Counsel instructed by Mr. Sharirang Shrimani, Advocate for the Petitioner Company and Mr. M. M. Goswami with Mr. R. K. Sharma, Panel Counsel for the Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the order of the Court And Mr. Dayanand Sureka, one of the Shareholder, Intervenor, present in person And no other person or persons entitled to

appear at the hearing of the Petition appearing this day either in support of the said Petition or to show cause against the same And the Hon'ble Court observed that there is no substance in the objection raised by the two gentlemen AND THIS COURT DOTH HEREBY SANCTION the arrangement embodied in the Scheme of Amalgamation of SmithKline Beecham Pharmaceuticals (India) Limited, the Transferor Company with Glaxo India Limited, the Transferee Company as set forth in Exhibit "A" to the said Petition and also in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE THAT the said arrangement embodied in the Scheme of Amalgamation (being Exhibit "A" to the Petition) and also in the Schedule annexed hereto shall be binding on the Transferor Company and the Transferee Company and also (in their respective equity shareholders and secured and unsecured creditors AND THIS COURT DOTH ORDER that with effect from opening of business on the 1st day of January, 2001 (hereinafter called "the Appointed Date"), the entire Undertaking and Business of the Transferor Company including its reserves and authorised share capital, assets, properties whether movable or immovable, real or personal present or contingent including but without being limited to all assets, fixed assets, work-in-progress, current assets, investments, tenancy rights, lease rights, permits, quota rights, industrial and other Licences, trademarks, intellectual property rights, other intangibles, club memberships, and all the privileges and benefits, duties and obligations of all contracts, agreements and arrangements and all other rights, licences, powers and facilities of every kind, nature and description whatsoever pertaining to the Undertaking and more particularly defined in Clause 1.7(c) of the Scheme, as stated in and in the manner specified in the Scheme shall, without any further act or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 and other applicable provisions of the Companies Act, 1956 AND THIS COURT DOTH FURTHER ORDER that effect from the Appointed Date, all the debts, liabilities, duties and obligations of the Transferor Company shall without any further act or deed stand transferred to the Transferee Company, so as to become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all contracts, deeds, bonds, debentures, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Petitioner Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Company, the Petitioner Company had been a party thereto AND THIS COURT DOTH FURTHER ORDER that all legal or other proceedings by or against the Transferor Company, pending on the Effective Date or which may be instituted in future (whether before or after the Effective Date) in respect of any matter arising before the Effective Date and pertaining the Undertaking (including property rights, powers, liabilities, obligations and duties of (the Transferor Company) shall be continued and enforced by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that pursuant to the Scheme and all other applicable provisions of the Companies Act, 1956, if any, the authorised share capital of the Transferee Company shall, before allotment of the equity shares to shareholders of Transferor Company, be increased from the Appointed Date being the 15th day of January, 2001 in the manner provided in Clauses 8.2(a) to 8.2(c) of the Scheme without

any further act or deed and without following the procedure laid down under the Companies Act, 1956 AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking consequent to amalgamation of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, subject to the provisions of the Scheme and without any further application or deed, issue at par and allot 1 (one) equity share of Rs.10/- each credited as fully paid up in the share capital of the Transferee Company to the shareholders of the Transferor Company whose names are recorded in its Register of Members, on a date (Record Date) to be fixed by the Board of Directors of the Transferee Company, for every 2 (two) equity shares of the face value of Rs.10/- each held by the said shareholders in the Transferor Company in the manner set out in clause 8.1 of the Scheme AND THIS COURT DOTH FURTHER ORDER that the fresh issue and allotment of equity shares in the Transferee Company to the members of Transferor Company be carried out AND THIS COURT DOTH FURTHER ORDER that all the permanent employees of the Transferor Company, who are directly or indirectly engaged in or in relation to the Undertaking and desirous of joining the Transferee Company on terms and conditions, which are not less favourable than those on which they are engaged by the Transferor Company as on the Effective Date, shall become the employees of the Transferee Company, without any interruption of service as a result of the transfer in the manner as provided in the Scheme AND THIS COURT DOTH FURTHER ORDER that upon the Scheme of Amalgamation being sanctioned by this Hon'ble Court and High Court at Bangalore the name of the Petitioner Company i.e. Glaxo India Limited shall stand changed to "GlaxoSmithKline Pharmaceuticals Limited" without any further act or deed and without following the procedure laid down in the Companies Act, 1956 for the said purpose and the same shall be substituted for its existing name wherever it appears in the Memorandum and Articles of Association of the Petitioner Company AND THIS COURT DOTH FURTHER ORDER that the Memorandum & Articles of Association of the Transferee Company be suitably altered and amended to give effect to the change in name of the Transferee Company in the manner provided in clause 13.1 of the Scheme without any further act or deed and without following the procedure laid down under the Companies Act, 1956 for the purpose AND THIS COURT DOTH FURTHER ORDER THAT the petitioner Company do within 30 days from the date of sealing of this Order, cause a certified copy of this Order sanctioning the Scheme of arrangement embodied in the Scheme of Amalgamation to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and upon such certified copy of this Order being so delivered the Registrar of Companies, Maharashtra, Mumbai And upon receipt of certified copy of order sanctioning the Scheme of Amalgamation by the High Court at Bangalore and upon receipt of the files relating to the Transferor Company, from the Registrar of Companies, Karnataka, the Registrar of Companies, Maharashtra, Mumbai shall place the files of the Transferor Company and the files kept by him in relation of the Transferee Company and shall consolidate the files of the Transferor Company and the Transferee Company accordingly AND THIS COURT DOTH FURTHER ORDER that liberty is reserved to the Petitioner Company and all other persons interested in the Petition to apply to this Hon'ble Court herein as and when occasion arises for any direction that may be necessary in regard to

the working of the arrangement embodied in the scheme of Amalgamation herein sanctioned and set forth in the Schedule hereto AND THIS COURT DOTH LASTLY ORDER the Petitioner Company to pay a sum of Rs. 1,500/- (Rupees One thousand five hundred only) to the Regional Director, Department of Company Affairs, Maharashtra State, Mumbai towards the costs of the Petition WITNESS SHRI BISHESHWAR PRASAD SINGH, the Chief Justice at Bombay aforesaid this 7th day of September, 2001.

BY THE COURT

FOR THE PROTHONOTARY AND SENIOR MASTER

Sealer

Dated this 25th day of September 2001

| | |
|---|---|
| Order sanctioning the Scheme of |) |
| Amalgamation drawn on the Application |) |
| of Mr. Shirang Shrimani, Advocate for the |) |
| Petitioner Company having their office at |) |
| 188/B Bhimrao Wadi, Thakurdwar |) |
| Mumbai - 400 002 |) |

SCHEDULE

SCHEME OF ARRANGEMENT

BETWEEN

SMITH KLINE BEECHAM PHARMACEUTICALS (INDIA) LIMITED

AND ITS MEMBERS

AND

GLAXO INDIA LIMITED AND ITS MEMBERS

[For Amalgamation of SmithKline Beecham Pharmaceuticals (India) Limited with
Glaxo India Limited under Section 391 read with Section 394 of the Companies Act, 1956]

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 1.1 “the Act” means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 “the Appointed Date” means 1st January 2001 or such other date as may be fixed or approved by the High Court at Bombay and / or at Bangalore.
- 1.3 “the Effective Date” means the last of the dates on which the sanctions, approvals or orders specified in Clause 14 of this Scheme are obtained.
- 1.4 “the Scheme” means this Scheme of amalgamation in its present form or with any modification(s) approved or imposed or directed by the High Court at Bombay and / or at Bangalore.
- 1.5 “the Transferor Company” means SmithKline Beecham Pharmaceuticals (India) Limited a Company incorporated under the Companies Act, 1956 and having its Registered Office at 71, Cunningham Road, Bangalore 560 002.
- 1.6 “the Transferee Company” means Glaxo India limited, a company incorporated under the Indian Companies Act, 1913 and having its Registered Office at Dr. Annie Besant Road, Mumbai - 400 030.

1.7 “Undertaking” means:

- (a) All the assets and properties of the Transferor Company as on the Appointed Date (hereinafter referred to as “the said assets”);
- (b) All the debts, liabilities, duties and obligation of the Transferor Company as on the Appointed Date (hereinafter referred to as “the said liabilities”);
- (c) Without prejudice to the generality of sub-clause (a) above, the Undertaking of the Transferor Company shall include all the Transferor Company’s reserves and the authorised share capital, movable and immovable properties including investments, claims, powers, authorities, allotments, approvals, consents, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, tenancy rights, other intangibles, industrial and other licences, permits, authorisations, quota rights, trade marks, patents and other industrial and intellectual properties including domain names, import quotas, telephones, telex, facsimile and other communication facilities and equipment, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and wheresoever situate, belonging to or in the ownership, power or possession or control of the Transferor Company as on the Appointed Date and thereafter.

2. SHARE CAPITAL

- 2.1 The authorised and the issued, subscribed and paid up share capital of the Transferor Company is as follows:

The authorised share capital is Rs.30,00,00,000/- (Rupees Thirty Crores only) divided into 3,00,00,000 equity shares of Rs.10/- each. The issued, subscribed and paid-up share capital is Rs.29,40,00,000/- (Rupees Twenty Nine Crores Forty Lakhs only) divided into 2,94,00,000 equity shares of Rs.10/- each.

- 2.2 The authorised share capital of the Transferee Company is Rs.60,00,00,000/- (Rupees Sixty Crores only) divided into 6,00,00,000 equity shares of Rs.10/- each.

The issued, subscribed and paid-up share capital of the Transferee Company is Rs.59,77,50,000/- (Rupees Fifty Nine Crores Seventy Seven Lakhs Fifty Thousand only) divided into 5,97,75,000 equity shares of Rs.10/- each.

3. TRANSFER OF UNDERTAKING

- 3.1 With effect from the Appointed Date, the Undertaking shall, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act, stand transferred to and vest in or be deemed to be transferred to and vest in the Transferee Company

as a going concern without any further act, deed, matter or thing (save as provided in Clause 3.2 below) so as to become on the Appointed Date, the assets (subject to encumbrances and charges, if any, existing thereon) or liabilities of the Transferee Company. Provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by the Transferor Company and the Transferee Company shall not be obliged to create or provide any further or additional security therefore after the Effective Date or otherwise.

- 3.2 It is expressly provided that in respect of such of the said assets as are movable in nature or otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company.
- 3.3 On and from the Appointed Date and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required, the reserves and the balance in the Profit and Loss Account of the Transferor Company will be merged with those of the Transferee Company in the same form as they appear in the financial statements of the Transferor Company.
- 3.4 The difference, if any, between the amount recorded as fresh share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Company shall be reflected in the reserves of the Transferee Company. Further, in case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 3.5 With effect from the Appointed Date all the debts, liabilities, duties and obligation of the Transferor Company shall, pursuant to the Orders of the High Courts at Bombay and at Bangalore under Section 394 and other applicable provisions of the Act and without any further act or deed, be also transferred or deemed to be transferred to and vest in and be assumed by the Transferee Company, so as to become as 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 Transferor Company.

4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 4.1 Subject to the other provision of the Scheme, all contracts, deeds, bonds, agreements and other Instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect immediately before or after the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable against the Transferee Company as fully and effectually as if it had at all material times been a party thereto.

5. DATE WHEN THE SCHEME COMES INTO OPERATION

5.1 The Scheme, though operative from the Appointed Date, shall be effective from the Effective Date.

6. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY UNTIL THE EFFECTIVE DATE

6.1 With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall:

- a) carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Company or losses arising or incurred by them shall for all purposes be treated as the profits or losses of the Transferee Company, as the case may be;
- b) carry on its business with reasonable diligence and shall not without the prior written consent of the Transferee Company alienate, charge or otherwise deal with or dispose of the Undertaking or any part thereof except in the ordinary course of its business;
- c) not vary the terms and conditions of service of its permanent employees except in the ordinary course of its business;
- d) not, without the prior written consent of the Transferee Company, undertake any new business or a substantial expansion of its existing business.

7. LEGAL PROCEEDINGS

7.1 All suits, claims, actions and proceedings, by or against the Transferor Company pending and / or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company, as effectually as if the same had been pending and / or arising against the Transferee Company.

8. ISSUE AND ALLOTMENT OF SHARES BY THE TRANSFEREE COMPANY

8.1 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot at par 1 (one) equity share of Rs.10/- each credited as fully Paid up in the capital of the Transferee Company to every equity shareholder of the Transferor Company whose name appears in the Register of Members on a date ("Record Date") to be fixed by the Board of Directors of the Transferee Company for every 2 (two) equity shares of Rs.10/- each held by the said shareholder in the Transferor Company, in the electronic form for those share holders who hold the shares in the electronic form and

by issue of share certificates for those share holders who hold the shares in physical form. The equity shares when issued and allotted by the Transferee Company in terms of the Scheme shall rank for dividend, voting rights and in all other respects *pari passu* with the existing equity share of the Transferee Company.

- 8.2 (a) The Transferee Company shall, before allotment of the equity shares in terms of this Scheme, as an integral part of the Scheme and without following the procedure laid down under the applicable provisions of the Act increase its authorised share capital by adding to its authorised share capital of Rs.60,00,00,000/-, the Transferor Company's authorised share capital of Rs.30,00,00,000/-. The combined authorised share capital of the two companies shall thereafter be Rs.90,00,00,000/-.

- (b) Consequently Clause 'V' relating to the authorised share capital in the Memorandum of Association of the Transferee Company shall be substituted by the following clause:

“Clause V - The capital of the Company is Rs.90,00,00,000/- divided into 9,00,00,000 shares of Rs.10/- each, with rights and privileges as set out in the Company's Articles of Association with power from time to time to issue any shares of the original or new capital with any preference or priority in the payment of dividends or the distribution of assets, or otherwise over any other shares, whether ordinary or preference and whether issued or not, and to vary the regulations of the Company as far as necessary to give effect to any such preference or priority and upon the sub-division of a share, to apportion the right to participate in profits or surplus assets, or the right to vote in any manner as between the shares resulting from such sub-division.”

- (c) Consequently, the existing Article 4 relating to authorised share capital in the Articles of Association of the Transferee Company shall be substituted with the following Article;

“4. The authorised share capital of the Company is Rs.90,00,00,000/- divided into 9,00,00,000 shares of Rs.10/- each.”

- 8.3 No fractional Certificates / coupons shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid and thereupon issue and allot equity shares in lieu thereof to a Director or an Officer respectively of the Transferee Company with the express understanding that such Director or Officer to whom such equity shares are issued and allotted shall hold the same

in trust for those entitled to the fractions and sell the same in the market at the best available price and pay to the Transferee Company, the net sale proceeds thereof whereupon the Transferee Company shall, subject to the approval of the Reserve Bank of India, wherever required, and subject to withholding tax, if any, distribute such net sale proceeds to the shareholders of the Transferor Company in proportion to their fractional entitlements. Holders of less than 1 (one) equity share in the Transferor Company shall not be entitled to receive any share in the Transferee Company but shall receive the net sale proceeds in respect of their fractional entitlements as above.

- 8.4 Upon this Scheme becoming finally effective and upon the new shares in the Transferee Company being issued and allotted by it to the shareholders of the Transferor Company whose names appear on the Register of Members of the Transferor Company on the Record Date fixed as aforesaid, the shares in the Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. Wherever applicable, the Transferee Company shall instead of requiring the surrender of the share certificates of the Transferor Company, directly issue and despatch the new share certificates of the Transferee Company in lieu thereof.
- 8.5 For the purpose aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the consent of the Reserve Bank of India and other concerned authorities, to the issue and allotment of equity shares to the non-resident shareholders of the Transferor Company in the aforesaid manner.
- 8.6 The issue and allotment of 1,47,00,000 equity shares in the Transferee Company by the Transferee Company to the shareholders of the Transferor Company as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out as if the procedure laid down under Section 81(1 A) and any other applicable provisions of the Act were duly complied with.
- 8.7 Upon issue and allotment of Equity Shares in the Transferee Company to the members of the Transferor Company as provided in the Scheme, the existing Equity Shares held by members of the Transferor Company shall stand automatically cancelled/ extinguished.

9. DIVIDENDS, PROFITS, BONUS / RIGHTS SHARES

- 9.1 Dividends (interim or final) in respect of the period commencing from the Appointed Date may be declared or paid by the Transferor Company or Transferee Company after mutual consultation with each other.
- 9.2 Except as envisaged under this Scheme, the Transferor Company and the Transferee Company shall not issue or allot after the Appointed Date any rights shares, bonus shares or other shares out of their respective authorised or unissued share capital for the time being, without the consent of the other.

10. EMPLOYEES OF THE TRANSFEROR COMPANY

10.1 All employees of the Transferor Company, who are in service on the date immediately preceding the Effective Date shall become the employees of the Transferee Company on the Effective Date.

10.2 On the Scheme finally taking effect as hereinafter provided:

- (a) The employees of the Transferor Company shall become the employees of the Transferee Company, without any break or interruption in service and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company as on the Effective Date. Services of all employees with the Transferor Company upto the Effective Date shall be taken into account for purposes of all retirement benefits for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, such past services with the Transferor Company shall also be taken into account;
- (b) The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company;
- (c) It is provided that as far as the Provident Fund, Gratuity Fund and Pension and / or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the employees transferred with the Undertaking for all purposes whatsoever relating to the administration or operation of such Funds for Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company.

11. APPLICATIONS TO THE HIGH COURTS AT BOMBAY AND BANGALORE

11.1 The Transferor Company shall make applications / petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bangalore for sanction of this Scheme and for dissolution of the Transferor Company without winding-up under the provisions of law.

11.2 The Transferee Company shall make applications / petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanction of this Scheme under the provisions of law.

12. MODIFICATIONS / AMENDMENTS TO THE SCHEME

12.1 The Transferor Company and the Transferee Company through their respective Board of Directors in their full and absolute discretion, may assent to any modification or amendment to the Scheme which the High Courts at Bangalore and Bombay shareholders of the Transferor Company and / or Transferee Company and / or any other competent authority may deem fit to approve / impose and effect any other modification or amendment which the Boards in the best interests of the Transferor Company or Transferee Company may consider necessary or desirable and give such directions as they may consider necessary or desirable for setting any question, doubt or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Transferor Company or the Transferee Company) and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect. In the event that any modification or amendment to the Scheme is unacceptable to the Transferor Company and / or the Transferee Company for any reason whatsoever, the Transferor Company and / or Transferee Company shall be at liberty to withdraw from the Scheme at any time.

12.2 For the purpose of giving effect to the Scheme or to carry out any modification or amendment thereto, the Boards of Directors of the Transferor Company and the Transferee Company or any Committee thereof is authorised to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question, doubt or difficulty whatsoever that may arise.

13 CHANGE OF NAME

13.1 On the Scheme of Amalgamation being sanctioned by the High Courts at Bangalore and at Bombay, as an integral part of the Scheme and without any further act or deed and without following the procedure laid down under the Act, for the purpose, the name of the Transferee Company shall stand changed to “GlaxoSmithKline Pharmaceuticals Limited’ and the same shall be substituted for the existing name wherever it appears in the Memorandum and Articles of Association of the Transferee Company.

14 SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional on and subject to:

- (a) the sanction or approval of all persons or authorities concerned being obtained and granted in respect of any of the matters provided for or relating to the Scheme for which such sanction or approval is required;

- (b) the approval of and agreement to the Scheme by the requisite majorities in number and value of such classes of persons of the Transferee Company as may be directed by the High Court of Judicature at Bombay and of the Transferor Company as may be directed by the High Court of Judicature at Bangalore on the applications made for directions under Section 391 of the Act for calling meetings and necessary resolutions being passed under the Act of the purpose;
- (c) the sanction of the High Court at Bombay under Section 391 and 394 of the said Act in favour of the Transferee Company and the sanction of the High Court at Bangalore under the said provisions in favour of the Transferor Company and to the necessary Order or Orders under Section 394 of the said Act being obtained;
- (d) certified copies of the Orders of the High Courts at Bombay and Bangalore sanctioning the Scheme being filed with the Registrars of Companies, Maharashtra and Karnataka by the Transferee Company and the Transferor Company respectively;
- (e) the approval of the Securities Exchange Board of India and of the Reserve Bank of India, if and to the extent required, being obtained, under the provisions of the Foreign Exchange Management Act to the issue and allotment of equity shares in the Transferee Company to the non-resident shareholders of the Transferor Company in accordance with the provisions of the Scheme.

15. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

15.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and / or the Scheme not being sanctioned by the High Courts at Bombay and at Bangalore and / or the Order or Orders not being passed as aforesaid before 31st March 2002 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by its Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

16. COSTS AND EXPENSES

16.1 All costs, charges and expenses of the Transferor Company and of the Transferee Company respectively in relation to or in connection with the Scheme shall be respectively borne by the Transferor Company and the Transferee Company.

HIGH COURT O.O.C.J. CO.PETN. NO.451 OF 2001
CONNECTED WITH COMPANY APPLICATION
NO. 138 OF 2001

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

AND

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

AND

In the matter of Glaxo India limited

AND

In the matter of the Scheme of Arrangement for the
amalgamation of SmithKline Beecham Pharmaceuticals
(India) limited with Glaxo India Limited

Glaxo India Limited Petitioner

Order sanctioning the Scheme of Amalgamation

Dated this 7th day of September, 2001

Filed this 25th day of September, 2001

Mr. Shirang Shrimani
Advocate for the Petitioner
188 Bhimrao Wadi, Thakurwar
Mumbai - 400 002.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 586 OF 2002
CONNECTED WITH
COMPANY APPLICATION NO. 146 OF 2002

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 GlaxoSmithKline Pharmaceuticals
Limited:

AND

IN THE MATTER of Scheme of Arrangement of
Meghdoot Chemicals Limited and Croydon Chemical
Works Limited with GlaxoSmithKline Pharmaceuticals
Limited.

GlaxoSmithKline Pharmaceuticals Limited, a company incorporated under the Companies Act, 1956 (1 of 1956) and having its Registered Office at

Dr Annie Besant Road, Mumbai - 400 030 — Petitioner

CORAM: D. K. Deshmukh J.

DATED: 21st November 2002 and 17th December 2002.

UPON THE PETITION of GlaxoSmithKline Pharmaceuticals Limited, the Petitioner Company abovenamed, presented to the Hon'ble Court on the 30th day of April, 2002 for sanction of the Scheme of Arrangement of Meghdoot Chemicals Limited (hereinafter referred to as "the First Transferor Company") and Croydon Chemical Works Limited (hereinafter referred to as "the Second Transferor' Company") (both the Transferor Companies are hereinafter collectively referred to as the 'Transferor Companies'), with GlaxoSmithKline Pharmaceuticals Limited (hereinafter referred to as "the Transferee Company" or "the Petitioner Company") AND for other consequential reliefs as mentioned in the Petition AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. Ajay Nadkarni, the Company Secretary and the Principal Officer of the Petitioner

Company solemnly affirmed on the 30th day of April, 2002 verifying the said Petition AND UPON READING the Affidavit dated the 11th day of July, 2002 of Mr. Sanjay Buch, Advocate for the Petitioner Company proving publication of notice of hearing the Petition in the issue of “the Indian Express” and “the Maharashtra Times” both on the 2nd day of July, 2002 AND UPON READING the affidavit dated 28th day of June, 2002 of Mr. Bhagwan Sawant, clerk in the office of the Advocates for the Petitioner Company, proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the Order dated the 15th day of March 2002, made by this Hon’ble Court in Company Application No. 146 of 2002, whereby the Petitioner Company was directed to convene and hold meetings of its equity shareholders and Unsecured creditors for the purpose of considering and if thought fit approving the Scheme of Arrangement of the Transferor Companies with the Transferee company AND meeting of the Secured Creditors of the Petitioner Company was dispensed with in view of the averments made in paragraph 36 of the affidavit in support of Company Application No. 146 of 2002 stating that the Petitioner Company has no secured creditors AND UPON READING the affidavit dated 11th day of April, 2002 of Mr. Ajay Nadkarni, proving publication of the notice convening meetings of the Equity Shareholders and the Unsecured Creditors of the Petitioner Company in the issue of “The Indian Express” and “The Maharashtra Times”, both dated 3rd day of April, 2002 AND UPON READING the affidavit dated 11th day of April, 2002 of Mr. Ajay Nadkarni proving despatch of notice convening meeting of the Equity Shareholders and unsecured creditors of the Petitioner Company to the individual Equity Shareholders and the unsecured creditors AND UPON READING the two Reports both dated 29th day of April, 2002, of Mr V. Thyagarajan, the Chairman appointed for the meetings of Equity Shareholders and the unsecured creditors of the Petitioner Company as to the results of the said respective meetings AND UPON READING two affidavits of Mr. V. Thyagarajan, both dated 29th day of April 2002 verifying the said two Chairman’s Reports AND IT APPEARS from the said Chairman’s Reports that the Scheme of Arrangement has been approved by requisite majority in number of the Equity Shareholders representing through them three-fourth in value of the Equity Shareholders and the Scheme has been approved by all the Unsecured Creditors of the Petitioner Company present at the said meeting and voting in favor of the Scheme AND UPON PERUSING the affidavit dated 15th July, 2002 of Mr. Sanjay P. Vaidya and Mr. Ravindra Madhav Dandekar opposing the Scheme AND UPON PURSUING the affidavit dated the 2nd September, 2002 of Mr. Ajay Nadkarni, the Company Secretary and the Principal Officer of the Petitioner Company in reply to the affidavit filed by the Opponents Mr. Sanjay P. Vaidya and Mr. Ravindra Madhav Dandekar AND UPON READING the affidavit dated the 25th September 2002 in rejoinder filed by the (Opponents Mr. Sanjay P. Vaidya opposing the Scheme AND UPON PERUSING the affidavit in rejoinder of Mr. Ravindra Madhav Dandekar, intervenors/objectors dated the 4th October 2002 AND UPON PURSUING the affidavit dated the 8th October 2002 filed by Mr. Ajay Nadkarni, the Company Secretary and the Principal Officer of the Petitioner Company, in Sur-Rejoinder in reply to the rejoinder filed by the Opponents Mr. Sanjay P. Vaidya and Mr. Ravindra Mahadev Dandekar AND UPON PERUSING the affidavit date the 9th October, 2002 filed by Mr. Ajay Nadkarni, the Company Secretary and the Principal Officer of the

Petitioner Company in reply to the affidavit in Rejoinder dated the 4th October, 2002 filed by the Opponents Mr. Sanjay P. Vaidya and Mr. Ravindra Madhav Dandekar AND UPON READING the Affidavit dated the 19th September, 2002 of Mr. Chakradhara Paik, Regional Director, Western Region, Department of Company Affairs, stating that the Scheme is not prejudicial to the interest of the Creditors and Shareholders of the Petitioner Company AND UPON HEARING Mr. Janak Dwarkadas and Mr. Gaurav Joshi, Counsel with Mr. Sanjay Buch, instructed by M/s. Crawford Bayley & Co., Advocates for the Petitioner Company AND Mr. F.L. Berarwala, Advocate for the Opponents Mr. Sanjay P. Vaidya and Mr. Ravindra Madhav Dandekar AND Mr. C. J. Joy with Mr. Suresh Kumar, Panel Counsel for Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the Order of the Court and no other person or persons entitled to appear at the hearing of the Petition appearing the day either in support of the said Petition or to show cause against the same AND THIS COURT DOTH rejects the objections raised by the Intervenor's/objectors AND THIS COURT DOTH HERBY SANCTION that the Scheme of Arrangement of Meghdoot Chemicals Limited and Croydon Chemical Works Limited, the Transferor Companies, with GlaxoSmithKline Pharmaceuticals Limited, the Petitioner Company, as set forth in Exhibit 'G' to the Petition and in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE that the Scheme of Arrangement to be binding, with effect from 1st day of January, 2002 (hereinafter referred to as "the Appointed Date") on all the Equity Shareholders and the Creditors of the Petitioner Company and all Equity Shareholders and Creditors of the Transferor Companies AND THIS COURT DOTH ORDER that with effect from the Appointed Date the whole of the Marketing Undertaking and all the relatable assets thereto (as defined in Clause 1.10 of the Scheme) of Meghdoot Chemicals Limited in the manner provided in clause 4.2(a) to (b) of the Scheme shall be demerged and transferred to and vest in or be deemed to have been transferred to and vested in the Petitioner Company as a going concern without any further act, instrument or deed so as to become as and from the Appointed Date, the assets (subject to encumbrances and charges, if any, existing thereon) or liabilities of the Petitioner Company Provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by Meghdoot Chemicals Limited and the Petitioner Company shall not be obliged to create or provide any further or additional security therefor after the Effective Date or otherwise, as provided in Clause 4.1 of the Scheme AND THIS COURT DOTH FURTHER ORDER that any and all the liabilities relatable to the Marketing Undertaking (including liabilities provides in clause 1.10(f) of the Scheme) shall, without any further act, deed, matter or things, be and the same shall stand transferred to the Petitioner Company pursuant to the applicable provisions of the Companies Act, 1956, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of the Petitioner Company AND THIS COURT DOTH FURTHER ORDER that all movable acts including cheques, bills of exchange, promissory notes, and other negotiable instruments, documents of title to goods or properties and cash in hand, if any, or Meghdoot Chemicals Limited pertaining or relatable to its Marketing Undertaking, capable of passing by manual delivery or by endorsement and delivery shall be so delivered, as the case may be, to the Transferee Company to the end and intent that the property and ownership therein passes to the Transferee Company

on such delivery or endorsement and delivery and that such delivery, transfer and endorsement shall be made on a date mutually agreed upon between the Board of Directors of Meghdoot Chemicals Limited and the Board of Directors of the Petitioner Company, as provided in clause 4.2 (a) of the Scheme AND THIS COURT DOTH FURTHER ORDER that in respect of movable assets other than those specified in Clause 4.2(a) of the Scheme, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi Government, local and other authorities and bodies, customers and other persons, the following modus operandi shall to the extent possible, be followed, that is to say, Meghdoot Chemicals Limited and the Petitioner Company shall jointly or severally, as may be decided by both of them, give notice in such form as they may deem fit and proper, that pursuant to the High Court having sanctioned, inter alia, the arrangements between Meghdoot Chemicals Limited and the Petitioner Company and their respective Shareholders and Creditors under Sections 391 to 394 of the Act, the said debts, loans, advances or deposits pertaining to Marketing Undertaking be paid and/or made good to or be held on account of the Petitioner Company as the person entitled thereto to the end and intent that the right of Meghdoot Chemicals Limited to recover or realise the same stands transferred and assigned to the Petitioner Company and that appropriate entry shall be made in the books of accounts of Meghdoot Chemicals limited and the Petitioner Company to record the aforesaid change AND THIS COURT DOTH FURTHER ORDER that all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Marketing Undertaking, as provided in Clause 8 of the Scheme, to which Meghdoot Chemicals Limited is a party or beneficiary or executed for the benefit of the Marketing Undertaking subsisting or having effect on or before the Effective Date shall be in full force and effect against or in favour of the Petitioner Company and may be enforced as fully and effectually as if, instead of Meghdoot Chemicals Limited, the Petitioner Company had at all material times been a party thereto AND THIS COURT DOTH FURTHER ORDER that all legal or other proceedings by or against Meghdoot Chemicals Limited pending on the Appointed Date or which may be instituted in future (whether before or after the Appointed Date) in respect of any matter arising before the Effective Date and relating to the Marketing Undertaking shall be continued and enforced by or against the Petitioner Company in the same manner and to the same extent as it would or might have been continued and enforced by or against Meghdoot Chemicals Limited in the manner specifically provided in Clause 7.1 of the Scheme AND THIS COURT DOTH FURTHER ORDER that the Remaining Business (as defined in clause 1.13 of the Scheme) and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by Meghdoot Chemicals Limited, which shall continue to exist as a legal entity, as per clause 9.1 of the Scheme AND THIS COURT DOTH FURTHER ORDER that all employees of Meghdoot Chemicals Limited who are in service on the date immediately preceding the Effective Date shall continue to remain employees of Meghdoot Chemicals Limited, without any break or interruption in service and on terms and conditions not less favourable than those on which they are engaged by Meghdoot Chemicals Limited as on the Effective Date as per Clause 9.2 of the Scheme AND THIS COURT DOTH FURTHER ORDER that all legal or other proceedings by or against Meghdoot Chemicals Limited under any statute,

whether pending on the Appointed Date or which may be instituted in future and relating to the Remaining Business continued and enforced by or against Meghdoot Chemicals Limited as per clause 9.3 of the Scheme AND THIS COURT DOTH FURTHER ORDER that all profits accruing to Meghdoot Chemicals Limited or all losses incurred by it relating to the Remaining Business with effect from the Appointed Date and thereafter, shall be treated as the profits or losses, as the case may be, of Meghdoot Chemicals Limited as per clause 9.4 of the Scheme AND THIS COURT DOTH FURTHER ORDER that upon the coming into effect of the Scheme and on account of the demerger of Meghdoot Chemicals Limited into the Petitioner Company with effect from the Appointed Date, the accounting treatment to the demerger shall be given in the manner as provided in clause 5.1 to 5.5 of the Scheme AND THIS COURT DOTH FURTHER ORDER for transferring to and vesting in the Transferee Company, without any further act, deed, matter or thing, the Undertaking (as defined in clause 1.5 of the Scheme) of Croydon Chemical Works Limited with effect from the Appointed Date as defined in Clause 1.2 of the Scheme AND THIS COURT DOTH FURTHER ORDER that in respect of such of the said assets of Croydon Chemical Works Limited other than those referred to in Clause 11.2 of the Scheme, the same shall as more particularly provided in Clause 1.4 of the Scheme, without any further act, instrument or deed be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company on the Appointed Date in the manner as specified in Clause 11.1 of the Scheme AND THIS COURT DOTH FURTHER ORDER that in respect of such of the said assets of Croydon Chemical Works Limited as are moveable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by Croydon Chemical Works Limited, as specified in clause 11.2 of the Scheme AND THIS COURT DOTH FURTHER ORDER that all the liabilities of the (Croydon Chemical Works Limited shall, without any further act, deed, matter or things, be and the same shall stand transferred or deemed to be transferred to and vested in and be assumed by the Petitioner Company pursuant to the applicable provisions of the Act, so as to become from the Appointed Date, the debts, liabilities, duties and obligations of the Petitioner Company as provided in clause 11.3 of the Scheme AND THIS COURT DOTH FURTHER ORDER that all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Undertaking, to which Croydon Chemical Works Limited is a party or beneficiary or executed for the benefit of the Undertaking subsisting or having effect on or before the Effective Date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of Croydon Chemical Works Limited, the Transferee Company had at all material times been a party thereto as provided in clause 16 of the Scheme AND THIS COURT DOTH FURTHER ORDER that all legal or other proceedings by or against Croydon Chemical Works Limited pending on the Appointed Date or which may be instituted in future (whether before or after the Appointed Date) in respect of any matter arising before the Effective Date and relating to the Undertaking (including property rights, powers, liabilities, obligations and duties of Croydon Chemical Works Limited) shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued and enforced by or against Croydon Chemical Works Limited in the manner specifically provided in Clause 15 of the Scheme AND

THIS COURT DOTH FURTHER ORDER that in consideration of the transfer of and vesting in the Petitioner Company of the Marketing Undertaking (as defined in clause 1.10 of the Scheme) of Meghdoot Chemical Works Limited and the undertaking (as defined in clause 1.5 of the Scheme) of Croydon Chemical Works Limited in terms of this Scheme, no fresh shares shall be issued by the Petitioner Company and there shall be no change in the share capital of Meghdoot Chemical Works Limited and the entire share capital held by the Petitioner Company in Croydon Chemical Works Limited shall stand automatically cancelled/ extinguished, as provided in Clause 12 of the Scheme AND THIS COURT DOTH FURTHER ORDER that upon the coming into effect of the Scheme and on account of the Amalgamation of Croydon Chemical Works Limited with GlaxoSmithKline Pharmaceuticals Limited, the Transferee Company, with effect from the Appointed Date, the accounting treatment to the Amalgamation shall be given in the manner as provided in clause 13.1 to 13.5 of the Scheme AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming effective Croydon Chemical Works Limited shall stand dissolved without winding up AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming fully effective, the trade marks which are beneficially and/or legally owned by Meghdoot Chemicals Works Limited and/or Croydon Chemical Works Limited shall stand automatically and without any further act, deed or documents assigned/transferred to and be vested in the Transferee Company absolutely and forever with all the right, title and interest of Meghdoot Chemicals Limited and/or Croydon Chemicals Limited in all such trade marks together with the goodwill and benefits attached to its business relating to the trade marks, as provided in clause 23.1 of the Scheme AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming fully effective, the Petitioner Company shall cause a certified copy of the Order passed by the High Court to be delivered to the Registrar of Trade Marks, Maharashtra, Mumbai and on receipt of the certified copy of the Order by the Petitioner Company by the Registrar of Trade Marks, the name of the Petitioner Company shall, automatically and without any further act, deed or document in terms of this Scheme and pursuant to the provisions of the Act, be submitted for Meghdoot Chemicals Limited and/or Croydon Chemical Works Limited as the case may be in respect of all trade marks which have been registered/pending registration in the name of Meghdoot Chemicals Limited, and/or Croydon Chemicals Limited, as provided in Clause 23.2 of the Scheme AND THIS COURT DOTH FURTHER ORDER that Meghdoot Chemicals Limited do within 30 days from the sealing of the order sanctioning the Scheme of Arrangement cause a certified copy of the Order to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and on such certified copy being so delivered, the Registrar of Companies, Maharashtra, Mumbai shall register with him on the files kept by him in relation to the Transferee Company and shall consolidate the documents and files of the Marketing Undertaking of Meghdoot Chemical Works Limited and the Transferee Company accordingly AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days from the sealing of the Order sanctioning the Scheme of Arrangement cause a certified copy of the Order to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and on such certified copy being so delivered, Croydon Chemical Works Limited shall stand dissolved without winding up and the Registrar of Companies, Maharashtra,

Mumbai shall place all the documents relating to Croydon Chemical Works Limited and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the Parties to Scheme of Arrangement shall be at liberty to apply to this Hon'ble High Court for any direction that may be necessary for the purpose of carrying out the Scheme of Arrangement AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 2,500/- (Rupees two thousand five hundred only) to the Regional Director, Department of Company Affairs, Maharashtra State, Mumbai towards the costs of the Petition WITNESS SHRI CHUNILAL KARSANDAS THAKKER, the Chief Justice at Bombay aforesaid this 21st day of November 2002 and 17th day of December 2002.

BY THE COURT,

FOR PROTHONOTARY & SENIOR MASTER

Dated this 18th day of December 2002.

Order sanctioning the Scheme of Arrangement drawn on the Application of Crawford Bayley & Co., Advocates for the Petitioner Company having their office at State Bank Building N. G. N. Vaidya Marg, Fort, Mumbai 400 023.

SCHEDULE

COMPOSITE SCHEME OF ARRANGEMENT UNDER SECTIONS 391 AND 394 OF THE COMPANIES ACT, 1956

- 1 BETWEEN MEGHDOOT CHEMICALS LIMITED (MCL) AND GLAXOSMITHKLINE PHARMACEUTICALS LIMITED (GSKPL) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS IN RESPECT OF DEMERGER BY MCL OF ITS MARKETING UNDERTAKING INTO GSKPL; AND
- 2 BETWEEN CROYDON CHEMICAL WORKS LIMITED (CCWL) AND GLAXOSMITHKLINE PHARMACEUTICALS LIMITED (GSKPL) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS IN RESPECT OF THE AMALGAMATION OF CCWL WITH GSKPL.

PART A - PRELIMINARY1 DEFINITIONS

Unless repugnant to the context or meaning thereof, the following expressions shall have the meanings assigned to them respectively hereinbelow:

- 1.1 "Act" means the Companies Act, 1956 (1 of 1956) or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 "Appointed Date" means the 1st day of January 2002 or such other date as may be approved by the High Court.
- 1.3 "Approval" means any sanction, approval, consent or permission from statutory authority required for the scheme to be legally effective, operational and binding.
- 1.4 "CCWL" means Croydon Chemical Works Limited, a company within the meaning of the Act having its Registered Office at 252, Dr. Annie Besant Road, Worli, Mumbai 400 030.
- 1.5 "CCWL Undertaking" means the entire business as going concern and shall include:
 - (a) All the assets and properties of CCWL, whether movable or immovable, real or personal, corporeal or incorporeal or contingent, including work in progress as on the Appointed Date;
 - (b) All the debts, liabilities, duties and obligations of CCWL as on the Appointed Date;

(c) Without prejudice to the generality of sub-clause (a) above, the CCWL undertaking shall include all CCWL's reserves, movable and immovable properties including investments, claims, powers, authorities, allotments, approvals, consents, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, tenancy rights, other intangibles, industrial and other licences, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties including domain names, import quotas, telephones, telex, facsimile and other communication facilities and equipment, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges liberties, easements advantages, benefits and approvals of whatsoever nature and whatsoever situate, belonging to or in the ownership, power or possession or control of CCWL as on the Appointed Date and thereafter.

- 1.6 "Company" means MCL, CCWL or GSKPL, as the context may require.
- 1.7 "Effective Date" means the date on which certified copies of the Order of High Court under the Sections 391 to 394 of the Act sanctioning this Scheme and vesting the Marketing Undertaking of MCL in GSKPL and vesting the Undertaking of CCWL in GSKPL are filed with the Registrar of Companies, Mumbai.
- 1.8 "GSKPL" means GlaxoSmithKline Pharmaceuticals Limited, formerly known as Glaxo India Limited, a public company within the meaning of the Act having its registered office at Dr. Annie Besant Road, Mumbai 400 030.
- 1.9 "High Court" means the High Court of Judicature at Bombay.
- 1.10 "Marketing Undertaking" means the entire business of the Marketing Undertaking of MCL as a going concern, comprising of the business activity of promoting, marketing, selling and distributing the Branded Products of MCL and shall include:
- (a) all assets and properties wherever situate whether movable or immovable, tangible or intangible, including any premises, offices, furniture, fixtures, office equipment, appliances, accessories, together with all present and future liabilities (including contingent liabilities) appertaining to or relating to the marketing undertaking as on the Appointed Date;
 - (b) all the debts, liabilities, duties and obligations of MCL relating to the Marketing Undertaking as on the Appointed Date;
 - (c) all patents, trademarks, trade names, product registrations and other intellectual property and rights and licences, assignments and grants in respect thereof, all permits, quotas, rights, entitlements, approvals, recoverable, receivables, advantages, cash balances, bank balances, bank accounts, privilege, all other

rights and benefits, licences, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Marketing Undertaking as on the appointed Date;

- (d) all earnest moneys and/or security deposits paid or received by MCL in connection with or in relation to the Marketing Undertaking;
- (e) all records, files, papers, product specifications and process information, computer programs, drawings, manuals, data catalogues, quotations, sales and advertising materials, lists of present and former customers and Suppliers, Customers' credit information, Customer pricing information and other records in connection with or in relation to the Marketing Undertaking;
- (f) for the purpose of this Scheme, it is clarified that liabilities pertaining to the marketing undertaking include:
 - (i) liabilities which directly and specifically arise out of the activities or operations of the marketing undertaking;
 - (ii) specific loans and borrowings raised, if any, incurred and utilized solely for the activities or operations of the Marketing Undertaking;
 - (iii) liabilities other than those referred to in (i) or (ii) above i.e. the amounts of general or multipurpose borrowings of MCL, allocated to the Marketing Undertaking in the same proportion in which the value of assets transferred Under this Scheme bears to the total value of the assets of MCL immediately before giving effect to this Scheme;
- (g) any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Marketing Undertaking or whether it arises out of the activities or operations of the Marketing Undertaking shall be decided by mutual agreement between the Board of Directors of MCL and GSKPL.

1.11 "MCL" means Meghdoot Chemicals Limited, a company within the meaning of the Act having its Registered Office at 252, Dr. Annie Besant Road, Worli, Mumbai 400 030.

1.12 "RBI" means the Reserve Bank of India established under Sub-Section (1) of Section 3 of the Reserve Bank of India Act, 1934 (2 of 1934).

1.13 "Remaining business" means the remaining business and operations of MCL, other than the Marketing Undertaking.

- 1.14 “Scheme” means this composite scheme of Arrangement for the demerger of the Marketing Undertaking of MCL into GSKPL and the amalgamation of CCWL with GSKPL in its present form or with any modification(s) approved or imposed or directed by the High Court.
- 1.15 “SEBI” means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.16 “Statutory Agency” means any Government agency of the Union of India or of any State of India, SEBI, RBI or any, stock Exchange whose approval is required for the Scheme to be Effective.
- 1.17 “Transferor company means (i) in relation to the demerger of the Marketing Undertaking of MCL into GSKPL, MCL; and (ii) in relation to the amalgamation of CCWL with GSKPL, CCWL.
- 1.18 “Transferee Company” means GSKPL.
- 1.19 “Undertaking” means (i) in relation to the demerger of the Marketing Undertaking from MCL into GSKPL, the Marketing Undertaking as defined in Clause 1.10 hereinbefore, and (ii) in relation to the amalgamation of CCWL with GSKPL, the entire business and undertaking of CCWL including all its assets and liabilities more particularly described in Clause 1.5 hereinbefore.

2 INTERPRETATION

Unless the context or meaning thereof otherwise requires :

- 2.1 Reference to the words “herein” and “hereunder” and other words of similar import refer to this Scheme as a whole and not to any particular Clause or sub-clause and the words “Clause” or “sub-clause” refer to the relevant Clause or sub-clause, as the case may be, of this Scheme.
- 2.2 Reference in this Scheme to any deed, document and writing or to any statute shall include any modification, re-enactment or extension thereof.
- 2.3 Headings are for ease of reference only, and shall not be taken into account for interpretation of any provision of this Scheme.
- 2.4 Reference to any singular, includes plural and vice versa.
- 2.5 Reference to any gender includes the other gender; and
- 2.6 “person” includes an individual, partnership firm, company (as defined in Section 3 of the Act) a body corporate as defined in Section 2(17) of the Act, a co-operative society and any body or organisation of individuals or persons whether incorporated or not.

- 2.7 If by the terms of this Scheme, any act would be required to be performed on a day which is Public Holiday, that act shall be deemed to have been duly performed, if performed on or within the period ending on the immediately succeeding Business Day after that day.

3. SHARE CAPITAL OF MCL, CCWL AND GSKPL

- 3.1 The Authorised Share Capital of MCL is Rs. 1,50,00,000/- (Rupees One Core and Fifty Lakhs only) divided into 96,000 Equity Shares of Rs. 100/- each amounting to Rs. 96,00,000/- (Rupees Ninety Six Lakhs only), 50 (9%) Non- Cumulative Redeemable Preference Shares of Rs. 100/- each amounting to Rs. 5,000/- (Rupees Five Thousand only) and 53,950 Unclassified Shares of Rs. 100/- each amounting to Rs. 53,95,000/- (Rupees Fifty Three Lakhs Ninety Five Thousand only). The issued, Subscribed and Paid-up Share Capital of MCL is Rs. 96,00,000/- (Rupees Ninety Six Lakhs only) divided into 96,000 Equity Shares of Rs. 100/- each fully paid-up. The entire Issued, Subscribed and Paid-up Share Capital of MCL is held by GSKPL. Consequently, MCL is a 100% subsidiary of GSKPL.
- 3.2 The Authorised Share Capital of CCWL is Rs. 50,00,000/- (Rupees Fifty Lakhs only) divided into 48,000 Equity Shares of Rs. 100/- each amounting to Rs. 48,00,000/- (Rupees Forty Eight Lakhs only), 15 (9%) Redeemable Preference Shares of Rs. 100/- each amounting to Rs. 1,500/- (Rupees One Thousand Five Hundred only) and 1,985 Unclassified Shares of Rs. 100/- each amounting to Rs. 1,98,500/- (Rupees One Lakh Ninety Eight thousand Five Hundred only). The issued, Subscribed and Paid-up Share Capital of CCWL is Rs. 48,00,000/- (Rupees Forty Eight Lakhs only) divided into 48,000 Equity Shares of Rs. 100/- each fully Paid-up. The entire issued, Subscribed and Paid-up Share Capital of CCWL is held by GSKPL. Consequently, CCWL is a 100% subsidiary of GSKPL.
- 3.3 The Authorised Share Capital of GSKPL is Rs. 90,00,00,000/- (Rupees Ninety Crores only) divided into 9,00,00,000 Equity Shares of Rs. 10/- each. The issued, Subscribed and Paid-up share capital of GSKPL is Rs. 74,47,50,000/- (Rupees Seventy Four Crores Forty Seven Lakhs Fifty Thousand only) divided into 7,44,75,000 Equity Shares of Rs. 10/- each fully paid up.

PART B - DEMERGER OF MARKETING UNDERTAKING OF MCL INTO GSKPL

4. DEMERGER OF MARKETING UNDERTAKING OF MCL INTO GSKPL

- 4.1 With effect from the Appointed Date, pursuant to the provisions of Section 391/394 and other relevant provisions of the Act and the Scheme, the whole of the Marketing Undertaking of MCL shall be demerged from MCL and be transferred to and vest in or be deemed to have been transferred to and vested in GSKPL as a going concern without any further act, instrument or deed (save as provided in Clause 4.2 below) so as to become as and from the Appointed Date, the assets, (subject to encumbrances and charges, if any, existing thereon) or liabilities of GSKPL. Provided always that

the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by CCWL and GSKPL shall not be obliged to create or provide any further or additional security therefor after the Effective Date or otherwise.

4.2 The transfer of movable assets of the Marketing Undertaking shall be effected as follows :

- (a) All movable assets including cheques, bills of exchange, promissory notes, and other negotiable instruments, documents of title to goods or properties and cash in hand, if any, of MCL pertaining or relating to its Marketing Undertaking, capable of passing by manual delivery or by endorsement and delivery shall be so delivered or endorsed and delivered, as the case may be, to GSKPL to the end and intent that the property and ownership therein passes to GSKPL, on such delivery or endorsement and delivery. Such delivery, transfer and endorsement shall be made on a date mutually agreed upon between the Board of Directors of MCL and the Board of Directors of GSKPL.
- (b) In respect of movable assets other than those specified in (a) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi Government, local and other authorities and bodies, customers and other persons, the following modus operandi shall to the extent possible, be followed, that is to say, MCL and GSKPL shall jointly or severally, as may be decided by both of them, give notice in such form as they may deem fit and proper, that pursuant to the High Court having sanctioned, inter alia, the arrangements between MCL and GSKPL and their respective Shareholders and Creditors under Sections 391 to 394 of the Act, the said debts, loans, advances or deposits pertaining to the Marketing Undertaking be paid and or made good to or be held on account of GSKPL as the person entitled thereto to the end and intent that the right of MCL to recover or realise the same stands transferred and assigned to GSKPL and that appropriate entry shall be made in the books of accounts of MCL and GSKPL to record the aforesaid change.

4.3 The transfer and vesting of the Marketing Undertaking as aforesaid shall be subject to the existing and other security interests, charges, mortgages, if any, subsisting over or in respect of the property and assets or any part thereof relating to the Marketing Undertaking. Provided however, any reference (in any security document or arrangement to which MCL is a party) to the assets of the Marketing Undertaking offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to those of the Marketing Undertaking which are vested in GSKPL, by virtue of the aforesaid clauses to the end and intent that such Security interests, charges and mortgages shall not extend or be deemed to extend to any of the other assets of GSKPL unless specifically agreed to by GSKPL with such secured creditors. Provided also that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Marketing Undertaking and GSKPL shall not be obliged to create any further or additional security therefor after this Scheme becomes operative.

- 4.4 The debts, liabilities, duties and obligations of MCL relating to the Marketing Undertaking (hereinafter referred to as “the said liabilities”) shall also, without any further act, instrument or deed be transferred and vested in and/or deemed to be vested in GSKPL pursuant to the provisions of Section 391/394 of the Act, so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of GSKPL on the same terms and conditions as were applicable to MCL.

5. ACCOUNTING TREATMENT

- 5.1 Upon coming into effect of the Scheme and on account of the demerger of the Marketing Undertaking of MCL into GSKPL with effect from the Appointed Date, the Revenue Reserves of MCL shall stand reduced by the book value of the net assets of the Marketing Undertaking.
- 5.2 GSKPL shall, upon the demerger becoming effective, record the assets and liabilities of the Marketing Undertaking of MCL vested in it pursuant to this Scheme at the values, as appearing in the books of MCL at the close of business of the day immediately preceding the Appointed Date.
- 5.3 To the extent that there are inter-corporate loans or balances between the Marketing Undertaking of MCL and GSKPL, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of MCL and GSKPL for the reduction of any assets or liabilities, as the case may be. For the removal of doubts it is hereby clarified that there would be no accrual of interests or other charges in respect of any such inter-corporate loans, or balances from the Appointed Date.
- 5.4 The difference between the total cost of investment in MCL in the books of GSKPL, as reduced by the fair value of the Remaining Business and the book value of net assets of the Marketing Undertaking shall be adjusted in the Revenue Reserves of GSKPL.
- 5.5 In case of any difference in the accounting policies of MCL and GSKPL, the impact of the same will be quantified and adjusted in the Revenue Reserve(s) of GSKPL to ensure that the financial statements of GSKPL reflect the financial position on the basis of consistent accounting policy.

6. CONDUCT OF BUSINESS

- 6.1 As and from the Appointed Date and till the Effective Date :
- (a) MCL shall carry on and be deemed to have carried on the business and activities in relation to the Marketing Undertaking and shall stand possessed of all assets and properties of the Marketing Undertaking in trust for and for the benefit of GSKPL and shall account for the same to GSKPL.

- (b) All income, profit accruing or losses incurred by MCL in relation to the Marketing Undertaking and all costs, charges, expenses and losses incurred by MCL in relation to the Marketing Undertaking shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of GSKPL and shall be available to GSKPL for being dealt with and disposed off in any manner as it thinks fit, including declaration of dividend.
- (c) MCL shall carry on the business of the Marketing Undertaking with reasonable diligence and in the same manner as it had been doing hitherto for and on behalf of GSKPL.
- (d) MCL shall not, without the concurrence of GSKPL, alienate, charge or encumber any of the properties of the Marketing Undertaking except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the Appointed Date.

7. LEGAL PROCEEDINGS

- 7.1 All legal proceedings of whatsoever nature by or against MCL pending and/or arising at the Appointed Date and relating to the Marketing Undertaking, shall be continued and/or enforced by or against GSKPL, as effectually as if the same had been pending and/or arising against GSKPL.

8. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 8.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Marketing Undertaking to which MCL is a party subsisting or having effect immediately before or after the Effective Date shall remain in full force and effect against or in favour of GSKPL and shall be binding on and be enforceable against GSKPL as fully and effectually as if it had at all material times been a party thereto.

9. REMAINING BUSINESS

- 9.1 The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by MCL., which shall continue to exist as a legal entity.
- 9.2 All employees of MCL who are in service on the date immediately preceding that Effective Date shall continue to remain employees of MCL, without any break or interruption in service and on terms and conditions no less favourable than those on which they are engaged by MCL as on the Effective Date.
- 9.3 All legal or other proceedings by or against MCL under any statute, whether pending on the Appointed Date or which may be instituted in future and relating to the Remaining Business, shall be continued and enforced by or against MCL.

- 9.4 All profits accruing to MCL or all losses incurred by it relating to the Remaining Business with effect from the Appointed Date and thereafter, shall be treated as the profits or losses, as the case may be, of MCL.

PART C - AMALGAMATION OF CCWL WITH GSKPL

10. AMALGAMATION OF CCWL WITH GSKPL

- 10.1 Simultaneous to the demerger of the Marketing Undertaking of MCL into GSKPL from the Appointed Date as contemplated under the Scheme, CCWL shall, pursuant to the provisions of Section 391 read with Section 394 of the Act and other applicable provisions of the Act, if any, on and from the Appointed Date, be amalgamated into GSKPL, as provided herein below.

11. TRANSFER OF UNDERTAKING

- 11.1 With effect from the Appointed Date, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act, the CCWL Undertaking shall stand transferred to and vest in or be deemed to be transferred to and vest in GSKPL as a going concern without any further act, deed, matter or thing (save as provided in Clause 11.2 below) so as to become on the Appointed Date, the assets (subject to encumbrances and charges, if any, existing thereon) or liabilities of GSKPL. Provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by CCWL and GSKPL shall not be obliged to create or provide any further or additional security therefor after the Effective Date or otherwise.
- 11.2 It is expressly provided that in respect of such of the said assets as are movable in nature or otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by CCWL to GSKPL.
- 11.3 With effect from the Appointed Date all the debts, liabilities, duties and obligations of CCWL shall, pursuant to the Orders of the High Courts at Mumbai and under Section 394 and other applicable provisions of the Act and without any further act or deed, be also transferred or deemed to be transferred to and vest in and be assumed by GSKPL, so as to become as from the Appointed Date the debts, liabilities, duties and obligations of GSKPL on the same terms and conditions as were applicable to CCWL.

12. CCWL SHARES TO BE CANCELLED/EXTINGUISHED

- 12.1 Upon the coming into effect of the Scheme, the Share Capital of CCWL shall stand automatically cancelled/extinguished, as the entire Issued, Subscribed and Paid-up Share Capital of CCWL is held by GSKPL.

13. ACCOUNTING TREATMENT

- 13.1 GSKPL shall, upon the amalgamation becoming effective, record the assets and liabilities of CCWL vested in it pursuant to this Scheme at the values, as appearing in the books of CCWL at the close of business of the day immediately preceding the Appointed Date.
- 13.2 To the extent that there are inter-corporate loans or balances between CCWL and GSKPL, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of CCWL and GSKPL for the reduction of any assets or liabilities, as the case may be. For the removal of doubts it is hereby clarified that there would be no accrual of interest or other charges in respect of any such inter-corporate loans, or balances from the Appointed Date.
- 13.3 All the balances in Reserves and Surplus of CCWL shall be merged with the Revenue Reserves of GSKPL and shall constitute GSKPL's free reserves as effectively as if the same was created by GSKPL out of its own earned and distributable profits.
- 13.4 The difference between the cost of investment in CCWL in the books of GSKPL and the Paid-up share capital of CCWL shall be adjusted against the General Reserve of GSKPL.
- 13.5 Further, in case of any differences in accounting policy between CCWL and GSKPL, the impact of the same will be quantified and adjusted in the Revenue Reserve(s) of GSKPL to ensure that the financial statements of GSKPL reflect the financial position on the basis of consistent accounting policy.

14. CONDUCT OF BUSINESS

14.1 As and from the Appointed Date and till the Effective Date:

- (a) CCWL shall carry on and be deemed to have carried on its business and activities and shall stand possessed of all its assets and properties in trust for and for the benefit of GSKPL and shall account for the same to GSKPL.
- (b) All income or profit accruing or arising to CCWL and all costs, charges, expenses and losses incurred by CCWL shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of GSKPL and shall be available to GSKPL for being dealt with and disposed off in any manner as it thinks fit, including declaration of dividend.
- (c) CCWL shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto, for and on behalf of GSKPL.
- (d) CCWL shall not, without the concurrence of GSKPL, alienate, charge or encumber any of its properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the Appointed Date;

15. LEGAL PROCEEDINGS

15.1 All legal proceedings of whatsoever nature by or against CCWL pending and/or arising at the Appointed Date shall be continued and/or enforced by or against GSKPL, as effectually as if the same had been pending and/or arising against GSKPL.

16. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

16.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which CCWL is a party subsisting or having effect immediately before or after the Effective Date shall remain in full force and effect against or in favour of GSKPL and shall be binding on and be enforceable against GSKPL as fully and effectually as if it had at all material times been a party thereto.

17. DISSOLUTION OF CCWL

17.1 Upon the Scheme becoming effective, CCWL shall be dissolved without winding up.

PART D - GENERAL**18. APPLICATIONS TO HIGH COURT**

18.1 MCL, CCWL and GSKPL shall, with all reasonable dispatch, make applications to the High Court of Judicature at Bombay under Section 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of each Company as may be directed by the High Court.

18.2 On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of MCL, CCWL and GSKPL as directed by the High Court, each of the three Companies shall, with all reasonable dispatch, apply to the High Court for sanctioning the Scheme under Sections 391 to 394 of the Act, and/or such other order or orders, as the said High Court may deem fit to pass for carrying the Scheme into effect and for dissolution of CCWL without winding up.

19. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

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

- (a) The requisite consents, approvals or permissions of the Central Government or any other Statutory Agencies (including RBI), which by law may be necessary for the implementation of this Scheme;
- (b) The approval by the requisite majorities of the classes of persons of MCL, CCWL and GSKPL, as may be directed by the High Court under Section 391 of the Act; and

- (c) The sanction of the Scheme by the Bombay High Court under Section 391 of the Act and the appropriate Orders being passed by the High Court pursuant to Section 394 of the Act and the filing of the certified copies of such orders with the Registrar of Companies, Maharashtra.

19.2 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained before the 31st day of March 2003 or within such further period or periods as may be agreed upon between the Board of Directors of MCL, Board of Directors of CCWL and the Board of Directors of GSKPL (and which the respective Boards of Directors are hereby empowered and authorised to agree to and extend from time to time), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed, done prior thereto as is contemplated hereunder and which shall be governed and be preserved or worked out as is specifically provided in this Scheme or as may otherwise arise in law.

20. MODIFICATION OR AMENDMENT OF SCHEME

20.1 MCL, CCWL and GSKPL, by their respective Directors so nominated in that behalf, may assent to any modification or amendment to this Scheme which the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and MCL, CCWL and GSKPL, by their respective Directors so nominated in that behalf, be and are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the Court or of any directive or orders of any other authorities or otherwise arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

21. NO CONVEYANCE OR ISSUE OF NEW SHARES

21.1 The Scheme is merely an arrangement between GSKPL and its members/ creditors and GSKPL's 100% subsidiaries MCL and CCWL under Section 391 of the Act. The Scheme does not envisage issue of fresh shares or the transfer or the vesting of any immovable property to or in favour of GSKPL, being the Transferee Company. Since the Scheme does not involve issue of fresh shares or any "Conveyance" or "Transfer" of any immovable property, the Order of the Hon'ble High Court at Bombay under Section 394 of the Act sanctioning the Scheme shall not attract any stamp duty, under the Bombay Stamp Act, 1958.

22. DATE WHEN THE SCHEME COMES INTO OPERATION

22.1 The Scheme, though operative from the Appointed Date, shall be effective from the Effective Date.

23. VESTING OF TRADE MARKS

23.1 Without prejudice to the generality of the Undertaking as defined in this Scheme, upon the Scheme becoming fully effective, the trade marks which are beneficially and/or legally owned by either MCL and /or CCWL shall stand automatically and without any further act, deed or document assigned/ transferred to and be vested in GSKPL absolutely and forever with all the right, title and interest of MCL and /or CCWL in all such trade marks together with the goodwill and benefits attached to its business relating to the trade marks.

23.2 Upon the Scheme becoming fully effective, GSKPL shall cause a certified copy of the Order passed by the High Court to be delivered to the Registrar of Trade Marks, Maharashtra, Mumbai. On receipt of the certified copy of the Order by GSKPL by the Registrar of Trade Marks, the name of GSKPL shall, automatically and without any further act, deed or document in terms of this Scheme and pursuant to the provisions of the Act, be substituted for MCL and/or CCWL as the case may be in respect of all trade marks which have been registered/pending registration in the name of MCL and/or CCWL.

24. COSTS, CHARGES AND EXPENSES

24.1 All costs, charges and expenses, including out of pocket expenses and legal expenses, with respect to this Scheme for carrying out and implementing the Scheme and all matters incidental thereto shall be borne by GSKPL.

24.2 Notwithstanding anything contained hereinabove, in the event of the Scheme not becoming effective for any reason whatsoever, all the expenses of this Scheme shall be borne by the respective companies in such proportion as may be mutually agreed.

HIGH COURT O.O.C.J.

COMPANY PETITION NO. 586 OF 2002.

CONNECTED WITH COMPANY APPLICATION NO.
146 OF 2002.

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 GlaxoSmithKline Pharmaceuticals
Limited

AND

IN THE MATTER of Scheme of Arrangement of
Meghdoot Chemicals Limited and Croydon Chemical
Works Limited with GlaxoSmithKline Pharmaceuticals
Limited.

GlaxoSmithKline Pharmaceuticals Limited, Petitioner

ORDER SANCTIONING THE SCHEME OF
ARRANGEMENT

Dated this 21st day of November, 2002 and 17th day of
December, 2002.

Filed this 18th day of December, 2002

M/s. Crawford Bayley & Co. Advocates for the Petitioner
State Bank of India Building, NGN Vaidya Marg,
Mumbai - 400 023

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 496 OF 2004

CONNECTED WITH

COMPANY APPLICATION NO. 155 OF 2004

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 GlaxoSmithKline Pharmaceuticals Limited;

AND

IN THE MATTER of Scheme of Amalgamation of Burroughs Wellcome (India) Limited with GlaxoSmithKline Pharmaceuticals Limited

GlaxoSmithKline Pharmaceuticals Limited, a company)
incorporated under the Indian Companies Act, 1913 and)
having its Registered Office at Dr. Annie Besant Road,)
Mumbai - 400 030)Petitioner

Coram: V.M. Kanade J.

Date: 12th August, 2004

UPON the Petition of GlaxoSmithKline Pharmaceuticals Limited, the Petitioner Company abovenamed solemnly declared on the 16th day of June, 2004 and presented to this Hon'ble Court on the 17th day of June, 2004 for sanction of the proposed Scheme of Amalgamation of Burroughs Wellcome (India) Limited (hereinafter referred to as "the Transferor Company") with GlaxoSmithKline Pharmaceuticals Limited (hereinafter referred to as "the Transferee Company" or "the Petitioner Company") and for other consequential reliefs as mentioned in

the Petition AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. Ajay Nadkarni, Company Secretary of the Petitioner Company, solemnly affirmed on the 16th day of June, 2004 verifying the said Petition AND UPON READING the Affidavit of Mr. Ajay Nadkarni, solemnly affirmed on the 22nd day of July, 2004 proving the publication of Notice of the date of hearing of the Petition in the newspapers, namely, "Free Press Journal", Mumbai edition dated the 9th day of July, 2004 and "Navshakti", Mumbai edition dated the 9th day of July, 2004 AND also proving despatch of notice of date of hearing of the Petition to the unsecured creditors of the Petitioner Company to whom the Petitioner Company owes an amount of Rupees Five lakh or more pursuant to the order dated 25th day of June, 2004 passed by this Hon'ble Court in the abovementioned Company Petition AND UPON READING the Affidavit of Mr. Ravi Narkhede, Clerk in the office of the Advocates for the Petitioner Company dated 6th day of July, 2004 proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the Order dated 25th day of June, 2004 passed in the above Petition notice of hearing of the Petition to the Secured Creditors of the Petitioner Company was dispensed with in view of the averment made in paragraph 21 of the Petition AND UPON READING the Order dated the 23rd day of April, 2004 passed by this Hon'ble Court in Company Application No. 155 of 2004 whereby the Petitioner Company was directed to hold the meeting of the shareholders holding equity shares of the Petitioner Company for the purpose of considering and, if thought fit, approving, with or without modification, the Scheme of Amalgamation of the Transferor Company with the Transferee Company AND meeting of secured and unsecured creditors of the Petitioner Company was dispensed with in view of the averment made in paragraph 16 of the Affidavit in support of the Company Application No. 155 of 2004 and the undertaking given by the Petitioner Company to issue notice of hearing of the Petition to the creditors as directed by the Court AND UPON READING the Affidavit of Mr. D. S. Parekh, the Chairman appointed for the meeting of Equity Shareholders dated 31st day of May, 2004 proving publication of the notice convening the meeting of the Equity Shareholders of the Petitioner Company in the issue of "Free Press Journal" dated 12th day of May, 2004 and "Navshakti" dated 12th day of May, 2004 and also proving despatch of notice convening meeting of the Equity Shareholders to individual Equity Shareholders of the Petitioner Company AND UPON READING the Report dated 11th day of June, 2004 of Mr. D. S. Parekh, Chairman appointed for the meeting of the Equity Shareholders as to the result of the meeting of Equity shareholders of the Petitioner Company AND UPON READING the Affidavit of Mr. D. S. Parekh dated 11th day of June 2004 verifying the said Report AND IT APPEARS from the Report of the Chairman that the Scheme of Amalgamation of the Transferor Company with the Transferee Company has been approved by majority in number of the Equity Shareholders representing more than three fourth in value of the Equity Shareholders of the Petitioner Company present at the said meeting AND UPON HEARING Mr. Gaurav Joshi, Counsel, instructed by M/s. Crawford Bayley & Co., Advocates for the Transferee Company and Mr. R. C. Master, Panel Counsel instructed by Dr. T. C. Kaushik for the Regional Director, Department of Company Affairs, Maharashtra, Mumbai, who submits to the Order of the Court, and no other person or persons entitled to appear at the hearing of the said Petition

appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Arrangement embodied in the proposed Scheme of Amalgamation of Burroughs Wellcome India) Limited, the Transferor Company with GlaxoSmithKline Pharmaceuticals Limited, the Transferee Company as set forth in Exhibit "A" to the said Petition and in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE THAT the same shall be binding on the Petitioner Company and the Transferor Company and all the members and creditors of the Petitioner Company and the Transferor Company respectively AND THIS COURT DOTH ORDER that with effect from the 1st day of January, 2004 (hereinafter referred to as the "Appointed Date") the entire Undertaking of the Transferor Company as described in the Scheme of Amalgamation and in the Schedule hereto shall, without any further act or deed stand transferred to and vested in the Transferee Company in accordance with and pursuant to the provisions of Section 394 of the Companies Act, 1956, AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all the debts, liabilities, duties and obligations of the Transferor Company shall, without any further act or deed stand transferred to or be deemed to be transferred to the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956, so as to become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all suits, appeals or other proceedings of whatever nature pending by or against the Transferor Company shall be continued, prosecuted and enforced by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before or after the Effective Date, shall remain in full force and effect against or in favour of the Petitioner Company and shall be binding on and be enforceable against the Petitioner Company as fully and effectively as if it had at all material times been a party thereto AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming finally effective, in consideration of the transfer of all the assets and liabilities of the Transferor Company to the Transferee Company in terms of Clause 8 of the Scheme, the Petitioner Company shall subject to the provisions of the Scheme and without any further application, act or deed, issue and allot at par 14 Equity Shares of Rs.10/- each credited as fully paid up in the capital of the Petitioner Company to every equity shareholder of the Transferor Company whose name appears in the Register of Members on a date ("Record Date") to be fixed by the Board of Directors of the Petitioner Company for every 10 Equity Shares of Rs.10/- each held by the said shareholder in the Transferor Company, in the electronic form for those shareholders who hold the shares in the electronic form and by issue of share certificates for those shareholders who hold the shares in physical form AND THIS COURT DOTH FURTHER ORDER that the equity shares when issued and allotted by the Petitioner Company in terms of the Scheme shall rank for dividend, voting rights and in all other respects pari passu with the existing equity shares of the Petitioner Company AND THIS COURT DOTH FURTHER ORDER that Transferee Company do within 30 (thirty) days after the date of sealing of the Order cause the certified copy of the Order to be delivered to and filed with the Registrar of Companies, Maharashtra, Mumbai, for registration and upon such certified copy of the Order being so filed

with the Registrar of Companies, Maharashtra, Mumbai, the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall transfer all the files, documents and records relating to the Transferor Company and registered with him on the files, documents and records kept by him relating to the Transferee Company and consolidate the files and records of the Transferor Company and the Transferee Company accordingly AND THIS COURT DOTH FURTHER ORDER that the parties to the said Scheme of Amalgamation sanctioned herein and any other person, or persons interested therein, shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein and annexed as Schedule hereto in the above matter AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 2,500/- (Rupees Two Thousand Five Hundred only) to Regional Director, Department of Company Affairs, Maharashtra, Mumbai, towards the costs of the Petition, WITNESS SHRI DALVEER BHANDARI, the Hon'ble, the Chief Justice at Bombay aforesaid this 12th day of August, 2004.

By the Court,

For Prothonotary & Senior Master

Order sanctioning of the Scheme)
of Amalgamation drawn on the)
application of M/s. Crawford Bayley & Co.,)
Advocates for the Petitioner Company)
having its office at State Bank Buildings,)
4th floor, NGN Vaidya Marg,)
Bombay - 400 023.)

SCHEDULE**SCHEME OF AMALGAMATION BETWEEN****BURROUGHS WELLCOME (INDIA) LIMITED AND ITS MEMBERS****AND****GLAXOSMITHKLINE PHARMACEUTICALS LIMITED AND ITS MEMBERS**

(For Amalgamation of Burroughs Wellcome (India) Limited with GlaxoSmithKline Pharmaceuticals Limited under Section 391 read with Section 394 of the Companies Act, 1956)

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 1.1 “Act” means the companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 “Appointed Date” means 1st January 2004 or such other date as may be fixed or approved by the High Court at Mumbai or the Tribunal, as the case may be.
- 1.3 “Effective Date” means the date on which certified copies of the orders of the High Court at Mumbai or the Tribunal, as the case may be, sanctioning the Scheme are filed with the Registrar of Companies, Mumbai, Maharashtra.
- 1.4 “Scheme” means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the High Court at Mumbai or the Tribunal, as the case may be.
- 1.5 “Transferor Company” means Burroughs Wellcome (India) Limited a Company incorporated under the Indian Companies Act, 1913 and having its Registered Office at 252, Dr. Annie Besant Road, Mumbai 400 030.
- 1.6 “Transferee Company” means GlaxoSmithKline Pharmaceuticals Limited, a Company incorporated under the Indian Companies Act, 1913 and having its Registered Office at Dr. Annie Besant Road, Mumbai 400 030.
- 1.7 “Tribunal” means the National Company Law Tribunal.
- 1.8 “Undertaking” means:
 - (a) All the assets and properties of the Transferor Company as on the Appointed Date (hereinafter referred to as “the said assets”);

- (b) All the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as “the said liabilities”);
- (c) Without prejudice to the generality of sub-clause (a) above, the undertaking of the Transferor Company shall include all the Transferor Company’s reserves and the authorised share capital, movable and immovable properties including investments, claims, powers, authorities, allotments, approvals, consents, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, club memberships, advantages, leasehold rights, tenancy rights, other intangibles, industrial and other licences, permits, authorisations, quota rights, trade marks, patents and other industrial and intellectual properties including domain names, import quotas, telephones, telex, facsimile and other communication facilities and equipment, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and wheresoever situate, belonging to or in the ownership, power or possession or control of the Transferor Company as on the Appointed date and thereafter.

2. SHARE CAPITAL

- 2.1 The authorised and the issued, subscribed and paid-up share capital of the Transferor Company as on 31st December 2003 is as follows:

The authorised share capital is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 equity shares of Rs.10/- each. The issued share capital is Rs.9,18,01,700/- (Rupees Nine Crores Eighteen Lakhs One Thousand Seven Hundred Only) divided into 91,80,170 equity shares of Rs. 10/- each. The subscribed and paid-up share capital is Rs.9,17,68,050/- (Rupees Nine Crores Seventeen lakhs Sixty Eight Thousand Fifty only) divided into 91,76,805 equity shares of Rs.10/- each.

- 2.2 The authorised and the issued, subscribed and paid-up share capital of the Transferee Company as on 31st December 2003 is as follows:

The authorised share capital of the Transferee Company is Rs.90,00,00,000/- (Rupees Ninety Crores only) divided into 9,00,00,000 equity shares of Rs.10/- each.

The issued, subscribed and paid-up share capital of the Transferee Company is Rs.74,47,50,000/- (Rupees Seventy Four Crores Forty Seven Lakhs Fifty Thousand only) divided into 7,44,75,000 equity shares of Rs.10/- each.

3. TRANSFERS UNDERTAKING

- 3.1 With effect from the Appointed Date, the Undertaking shall, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act, stand transferred to and vest in or be deemed to be transferred to and vest in the Transferee Company as a going concern without any further act, deed, matter or thing (save as provided in Clause 3.2 below) so as to become on the Appointed Date, the assets (subject to encumbrances and charges, if any, existing thereon) or liabilities of the Transferee Company. Provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by the Transferor Company and the Transferee Company shall not be obliged to create or provide any further or additional security therefore after the Effective Date or otherwise. Provided further that if the Directors of the Transferor Company and the Transferee Company, so desire, the movable assets of the Transferor Company shall not vest in the Transferee Company by virtue of the Court/Tribunal Order which shall not operate as a conveyance but shall be transferred in the manner laid down in Clause 3.2 hereunder.
- 3.2 It is expressly provided that in respect of such of the said assets as are movable in nature or otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company.
- 3.3 On and from the Appointed Date and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required, the reserves and the balance in the Profit and Loss Account of the Transferor Company will be merged with those of the Transferee Company in the same form as they appear in the financial statements of the Transferor Company.
- 3.4 The difference, if any, between the amount recorded as fresh share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Company shall be reflected in the reserves of the Transferee Company.
- 3.5 With effect from the Appointed Date all the debts, liabilities, duties and obligations of the Transferor Company shall, pursuant to the Orders of the High Court at Mumbai Tribunal under Section 394 and other applicable provisions of the Act and without any further act or deed, be also transferred or deemed to be transferred to and vest in and be assumed by the Transferee Company, so as to become as 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 Transferor Company.
- 3.6 Upon this Scheme becoming effective, any loans or other obligations due between or amongst the Transferor Company and the Transferee Company, if any, shall stand discharged and there shall be no liability in that behalf.
- 3.7 In case of any difference in the accounting policy between the Companies, the impact of the same till the amalgamation will be quantified and adjusted in the Revenue Reserve(s) of the Transferee Company to ensure that the financial statements of the

Transferee Company reflect the financial position on the basis of consistent accounting policy.

4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

4.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before or after the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable against the Transferee Company as fully and effectually as if it had at all material times been a party thereto.

5. DATE WHEN THE SCHEME COMES INTO OPERATION

5.1 The Scheme, though operative from the Appointed Date, shall be effective from the Effective Date.

6. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY UNTIL THE EFFECTIVE DATE

6.1 With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall:

- a) carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Company or losses arising or incurred by them shall for all purposes be treated as the profits or losses of the Transferee Company, as the case may be;
- b) carry on its business with reasonable diligence and shall not without the prior written consent of the Transferee Company alienate, charge or otherwise deal with or dispose of the Undertaking or any part thereof except in the ordinary course of its business;
- c) resolve with reasonable diligence, pending cases/issues in respect of its former employees;
- d) not, without the prior written consent of the Transferee Company, undertake any new business or a substantial expansion of its existing business.

7. LEGAL PROCEEDINGS

7.1 All suits, claims, actions and proceedings, by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company, as effectually as if the same had been pending and/or arising against the Transferee Company.

8. ISSUE AND ALLOTMENT OF SHARES BY THE TRANSFeree COMPANY

- 8.1 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot at par 14 equity shares of Rs.10/- each credited as fully Paid up in the capital of the Transferee Company to every equity shareholder of the Transferor Company whose name appears in the Register of Members on a date (“Record Date.”) to be fixed by the Board of Directors of the Transferee Company for every 10 equity shares of Rs.10/- each held by the said shareholder in the Transferor Company, in the electronic form for those shareholders who hold the shares in the electronic form and by issue of share certificates for those shareholders who hold the shares in physical form. The equity shares when issued and allotted by the Transferor Company in terms of the Scheme shall rank for dividend, voting rights and in all other respects pari passu with the existing equity shares of the Transferee Company.
- 8.2 No fractional Certificates/coupons shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid and thereupon issue and allot equity shares in lieu thereof to a Director or an Officer of the Transferee Company with the express understanding that such Director or Officer to whom such equity shares are issued and allotted shall hold the same in trust for those entitled to the fractions and sell the same in the market at the best available price and pay to the Transferee Company, the net sale proceeds thereof whereupon the Transferee Company shall, subject to the approval of the Reserve Bank of India, wherever required, and subject to withholding tax, if any, distribute such net sale proceeds to the shareholders of the Transferor Company in proportion to their fractional entitlements. Shareholders of Transferor Company entitled to less than 1 (one) equity share in the Transferee Company shall not be entitled to receive any share in the Transferee Company but shall receive the net sale proceeds in respect of their fractional entitlements as above.
- 8.3 Upon this Scheme becoming finally effective and upon the new shares in the Transferee Company being issued and allotted by it to the shareholders of the Transferor Company whose names appear on the Register of Members of the Transferor Company on the Record Date fixed as aforesaid, the shares in the Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. Wherever applicable, the Transferee Company shall instead of requiring the surrender of the share certificate of the Transferor Company, directly issue and despatch the new share certificates of the Transferee Company in lieu thereof.

- 8.4 For the purpose aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the consent of the Reserve Bank of India and other concerned authorities, to the issue and allotment of equity shares to the non-resident shareholders of the Transferor Company in the aforesaid manner.
- 8.5 The issue and allotment of 1,28,47,546 equity shares in the Transferee Company by the Transferee Company to the shareholders of the Transferor Company as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out as if the procedure laid down under Section 81(1 A) and any other applicable provisions of the Act were duly complied with.
- 8.6 Upon issue and allotment of Equity Shares in the Transferee Company to the members of the Transferor Company as provided in the Scheme, the existing Equity Shares held by members of the Transferor Company shall stand automatically cancelled/ extinguished.

9. DIVIDENDS, PROFITS / BONUS / RIGHTS SHARES

- 9.1 Dividends (interim or final) in respect of the period commencing from the Appointed Date may be declared or paid by the Transferor Company with the consent of the Transferee Company.
- 9.2 It is clarified, however, that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividend which shall be entirely at the discretion of the Boards of Directors of the Transferor Company and Transferee Company and subject to the provisions of the Act.
- 9.3 The Transferor Company shall not issue or allot after the Appointed Date any rights shares, bonus shares or other shares out of its authorised or unissued share capital for the time being, without the consent of the Transferee Company.

10. EMPLOYEES OF THE TRANSFEROR COMPANY

- 10.1 The Transferor Company has no employees on its rolls at this time.
- 10.2 On the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of or in relation to the obligation to make contribution to the Provident Fund, Gratuity Fund and Pension and/or Superannuation Fund or any other special fund created or existing for the benefit of the former staff, workmen and other employees of the Transferor Company in accordance with the provisions of such funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company.

11. WINDING UP

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

12. APPLICATIONS TO THE HIGH COURT AT MUMBAI

12.1 The Transferor Company shall make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Mumbai and/or the Tribunal, as the case may be, for sanction of this Scheme and for dissolution of the Transferor Company without winding-up.

12.2 The Transferee Company shall make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Mumbai and/or the Tribunal, as the case may be, for sanction of this Scheme under the provisions of law.

13. MODIFICATIONS/AMENDMENTS TO THE SCHEME

13.1 The Transferor Company and the Transferee Company through their respective Boards of Directors in their full and absolute discretion, may assent to any modification or amendment to the Scheme which the High Court at Mumbai and/or the Tribunal, as the case may be, shareholders of the Transferor Company and/or Transferee Company and/or any other competent authority may deem fit to approve/impose and effect any other modification or amendment which the Boards in the best interests of the Transferor Company or Transferee Company may consider necessary or desirable and give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Transferor Company or the Transferee Company) and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect. In the event that any modification or amendment to the Scheme is unacceptable to the Transferor Company and/or the Transferee Company for any reason whatsoever, the Transferor Company and/or Transferee Company shall be at liberty to withdraw from the Scheme at any time.

13.2 For the purpose of giving effect to the Scheme or to carry out any modification or amendment thereto, the Boards of Directors of the Transferor Company and the Transferee Company or any Committee thereof is authorised to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question, doubt or difficulty whatsoever that may arise.

14. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

14.1 The Scheme is conditional upon and subject to:

- (a) the sanction or approval of all persons or authorities concerned being obtained and granted in respect of any of the matters provided for or relating to the Scheme for which such sanction or approval is required;
- (b) the approval of and agreement to the Scheme by the requisite majorities in number and value of such classes of persons of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Mumbai or the Tribunal, as the case may be, on the applications made for directions under Section 391 of the Act for calling meetings and necessary resolutions being passed under the Act for the purpose;
- (c) the sanction of the Scheme by the High Court at Mumbai or the Tribunal, as the case may be, under Section 391 and 394 of the said Act and necessary Order or Orders under Section 394 of the said Act being obtained;
- (d) the approval of the Securities Exchange Board of India and of the Reserve Bank of India, if and to the extent required, being obtained under the provisions of the Foreign Exchange Management Act to the issue and allotment of equity shares in the Transferee Company, to the non-resident shareholders of the Transferor Company in accordance with the provisions of the Scheme.

15. EFFECT OF NON RECEIPT OF APPROVALS/SANCTIONS

15.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/or the Scheme not being sanctioned by the High Court at Mumbai or the Tribunal, as the case may be and/or the Order or Orders not being passed as aforesaid before 31st March 2005 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by its Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

16. COSTS AND EXPENSES

16.1 All costs, charges and expenses of the Transferor Company and of the Transferee Company respectively in relation to or in connection with the Scheme shall be respectively borne by the Transferor Company and the Transferee Company.

HIGH COURT AT BOMBAY
O.O.C.J.
COMPANY PETITION NO. 496
OF 2004
CONNECTED WITH COMPANY APPLICATION NO. 155
OF 2004

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 GlaxoSmithKline Pharmaceuticals Limited

And

In the matter of Scheme of Amalgamation
of Burroughs Wellcome (India) Limited
with GlaxoSmithKline Pharmaceuticals Limited

GlaxoSmithKline)
Pharmaceuticals)
Limited)Petitioner

ORDERS SANCTIONING THE SCHEME OF AMALGAMATION

Dated this 12th day of August, 2004

Filed this 3rd day of September, 2004.

M/s. Crawford Bayley & Co.,
Advocates for the Petitioner
State Bank Buildings, 4th floor,
NGN Vaidya Marg, Mumbai 400 023.

