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**MEMORANDUM OF ASSOCIATION**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**ESSAR SHIPPING LIMITED**

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प्रारूप 1  
पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U63030GJ2010PLC060285

2010 - 2011

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

ESSAR PORTS & TERMINALS LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अंतर्गत आज किया जाता है और यह कम्पनी लिमिटेड है।

\* यह निगमन-पत्र आज दिनांक सोलह अप्रैल दो हजार दस को मेरे हस्ताक्षर से अहमदाबाद में जारी किया जाता है।

Form 1  
Certificate of Incorporation

Corporate Identity Number : U63030GJ2010PLC060285

2010 - 2011

I hereby certify that ESSAR PORTS & TERMINALS LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is limited.

Given under my hand at Ahmedabad this Sixteenth day of April Two Thousand Ten



(VILAS SAMBHAJI HAJARE)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies

गुजरात, दादरा एवं नगर हवेली  
Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

ESSAR PORTS & TERMINALS LIMITED

Essar House, Opp. Gujarat College, Near Hotel Inder Residency, Ellisbridge,  
Ahmedabad - 380006,  
Gujarat, INDIA



## व्यापार प्रारंभ करने का प्रमाण-पत्र

कम्पनी अधिनियम 1956 की धारा 149(3) के अनुसरण में

कॉर्पोरेट पहचान संख्या : U63030GJ2010PLC060285

मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स  
ESSAR PORTS & TERMINALS LIMITED

जिसका निगमन, कम्पनी अधिनियम, 1956(1956 का 1) के अंतर्गत दिनांक सोलह अप्रैल दो हजार दस को किया गया था और जिसने निर्धारित प्रपत्र में घोषणा प्रस्तुत की है या विधिवत सत्यापित किया है कि उक्त कम्पनी ने, अधिनियम की धारा 149(2) (क) से (ग) तक की शर्तों का अनुपालन कर लिया है और व्यापार करने के लिए हकदार है।

यह प्रमाण-पत्र आज दिनांक एक जून दो हजार दस को मेरे हस्ताक्षर से अहमदाबाद में जारी किया जाता है।

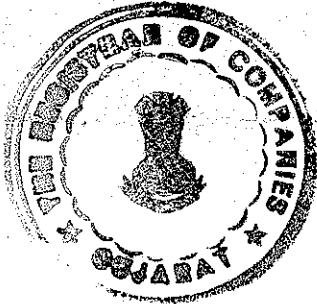
### Certificate for Commencement of Business

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

Corporate Identity Number : U63030GJ2010PLC060285

I hereby certify that the ESSAR PORTS & TERMINALS LIMITED which was incorporated under the Companies Act, 1956(No. 1 of 1956) on the Sixteenth day of April Two Thousand Ten, and which has this day filed or duly verified declaration in the prescribed form that the conditions of the Section 149(2)(a) to (c) of the said act, have been complied with and is entitled to commence business.

Given under my hand at Ahmedabad this First day of June Two Thousand Ten.



(VILAS SAMBHAJI HAJARE)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies

गुजरात, दादरा एवं नगर हवेली

Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

ESSAR PORTS & TERMINALS LIMITED

Essar House, Opp. Gujarat College, Near Hotel Inder Residency, Ellisbridge,

Ahmedabad - 380006,

Gujarat, INDIA

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U61200GJ2010PLC060285

मैसर्स ESSAR PORTS & TERMINALS LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स  
ESSAR PORTS & TERMINALS LIMITED

जो मूल रूप में दिनांक सोलह अप्रैल दो हजार दस को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स  
ESSAR PORTS & TERMINALS LIMITED

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा  
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य  
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि 507 (अ) दिनांक 24.6.1985 एस्. आर. एन. A92980325 दिनांक 07/09/2010 के द्वारा  
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स  
ESSAR SHIPPING LIMITED.

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

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा अहमदाबाद में आज दिनांक सात सितम्बर दो हजार दस को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, Gujarat, Dadra and Nagar Haveli

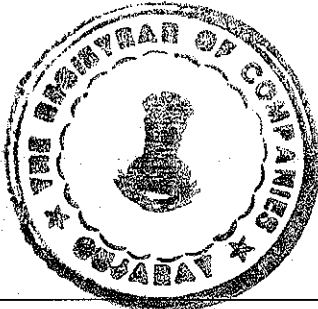
Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : U61200GJ2010PLC060285

In the matter of M/s ESSAR PORTS & TERMINALS LIMITED

I hereby certify that ESSAR PORTS & TERMINALS LIMITED which was originally incorporated on Sixteenth day of April Two Thousand Ten under the Companies Act, 1956 (No. 1 of 1956) as ESSAR PORTS & TERMINALS LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A92980325 dated 07/09/2010 the name of the said company is this day changed to ESSAR SHIPPING LIMITED. and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Ahmedabad this Seventh day of September Two Thousand Ten.



  
(RAJESH KUMAR DALMIA)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies

गुजरात, दादरा एवं नगर हवेली  
Gujarat, Dadra and Nagar Haveli

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

ESSAR SHIPPING LIMITED.

Administrative Building, Essar Refinery Complex, Okha Highway (SH-25), Taluka Khambalia,  
Jamnagar - 361305,  
Gujarat, INDIA

THE COMPANIES ACT, 2013

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

**MEMORANDUM OF ASSOCIATION**

**OF**

**ESSAR SHIPPING LIMITED**

- I.** The name of the Company is **ESSAR SHIPPING LIMITED**.
- II.** The Registered Office of the Company will be situated in the State of Gujarat.
- III. The objects for which the Company is established are as under:**
- A. \*\*The MAIN OBJECTS to be pursued by the Company on its incorporation.**
1. \*To own, purchase, charter, hire or otherwise acquire, sell, exchange, let or otherwise deal with, operate, trade in ships, boats, tugs, vessels, trawlers, drifters, dredgers, other transports and conveyances propelled or worked or capable of being propelled or worked by steam, electricity, petrol, oil, gas or any other motive power or power producing substance with all equal pigments and furniture, build steam of other ships and vessels and to employ the same in the carriage or conveyance by land or sea in or between any place or places or port or ports or any seas, rivers, canals or elsewhere, of all kind of cargo whether wet, dry or gaseous, passengers, mails, troops, munitions of war, livestock and of treasure and merchandise and food articles and goods, and things between such ports and places in any part of the world as may seem expedient and to establish, maintain and work lines of steam and other ships and other transports and conveyances between ports, countries or places which may seem to the Company from time to time expedient and to acquire any postal and other subsidies.
  2. \*To carry on the business of ship-owners, ship-builders, shipbrokers, shipping agents, ship managers, ship charterers, barge owners, dock owners, stevedores, warehousemen, harbingers, salvors, marine consultants, crew recruiters, ship deliverers, ship repairers, loading brokers, freight contractors, haulage and general contractors, marine engineers, surveyors or any other work connect end with the shipping business.
  3. \*To carry on the business as logistic providers, transporters, booking agents, forwarding agents, clef airing agents, shipping agents, warehouses, e exporters and importers for transport or movement of goods, livestock and passengers through roadways, ropeways, railways, airways, waterways or any other mode of transport and to make e arrangements with transporters, airlines, shipping agents or other concerns engaged in logistics in any manner, both inland and overseas.
  4. \*To manufacture, deal in, hire, store and warehouse all engines, nautical instruments, ship's rigging, machinery, implements, utensils, appliances used in shipping industry.
  5. \*To enter into and conduct the business of owning and / or leasing and / or hiring and / or operating all types of onshore and offshore drilling rigs and coring rigs for drilling for hydrocarbons, offshore construction vessels including but not limited to pipe-lay barges, crane barges, hook up barges etc. and to enter into contracts for conducting such business anywhere in the world.

\* Inserted vide Special Resolution passed by the members at the Extra-Ordinary General Meeting held on August 25, 2010.

\*\* Heading Amended vide Special Resolution passed by the members at the Annual General Meeting held on December 23, 2019

6. To carry on business to design, develop, establish, build, lay, procure, relay, construct, equip, own, operate, use, administer, manage, maintain, improve, inspect, enlarge, alter, protect, extend, repair, replace, refurbish and carry out works in respect of the whole or any part or parts of ports, terminals, jetties, storage tanks, warehouses, cranes, receipt and dispatch facilities, pumping stations, boosters, control stations, buildings, machinery, equipment and facility is ancillary to the construction and operation or use of the aforesaid or any of them, within or outside India.
7. To create, construct, own, operate, provide, procure, dispose, distribute, install, repair, maintain infrastructural facilities including facilities relating to energy, petroleum and petroleum products, water supply, transportation by rail, road and pipelines, single buoy mooring, mooring systems, staff housing, firefighting, sewage systems, jetties and operating platforms, communication, service shops, mechanical, electrical, instrumentation and maintenance, storage and related facilities.
8. To lease out, extend, permit and allow the use of the ports, terminals, jetties, storage tanks, warehouses, cranes, pumping stations and other related equipment.
9. To carry on the business so as service providers and organize and provide technical, managerial, operation and maintenance, co-memorial and project management services to the ports, terminals, jetties and other related industries.

10. # Deleted.

**B. \*\* OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS.**

11. Generally to acquire by purchase, lease or otherwise, for the purposes of the Company any real or personal property, rights, or privileges, and in particular any land, buildings, rights of way, easements, licenses, concessions, and privileges, patents, patent rights, machinery rolling stocks, plant, accessories and stock-in-trade.
12. To do the business on its own account or on account of the constituents, as buyers, sellers, importers, exporters, agents, dealers, or as collectors, manufacturers, of all or any of the goods and things in which the Company is authorized to deal.
13. To acquire from time to time and to deal in all such stock-in-trade, goods, chattel and effects as may be necessary or convenient for any business for the time being carried on by the Company.
14. To acquire or purchase see any running concern and carrying on the same or similar business, as covered by the object Clause A above.

\* Inserted vide Special Resolution passed by the members at the Extra-Ordinary General Meeting held on August 25, 2010.

# Deleted vide Special Resolution passed by the members at the Extra-Ordinary General Meeting held on August 25, 2010.

\*\* Heading Amended vide Special Resolution passed by the members at the Annual General Meeting held on December 23, 2019

15. To amalgamate with any Company or companies having objects altogether or in part similar to those of this Company or any other Company, subject to the provisions of the Companies Act, 1956.
16. To enter into partnership or arrangement for sharing the profits or joint venture with any person, persons or Company carrying on or about to carry on any business capable of being conducted so as directly or indirectly to benefit this Company and to acquire or join in acquiring any such business, as covered by the object clause A above.
17. To do any other business which may seem to the Company to be capable of being conveniently carried on in connection with the above or calculated directly to enhance the value of or render profitable any of the Company's property or rights.
18. To buy, purchase, lease, take on lease, exchange or otherwise acquire lands, buildings, flats and heredicaments of any tenure or description in India or elsewhere whether for residential, business or other purposes and any rights, easements, advantages and privileges relating to hereto and either for investment or resale or for trafficking in the same and to turn the same in to account as may seem expedient, and to construct, alter, improve, decorate, develop, furnish and maintain offices, flats, houses, factories, warehouses, godowns, shops, buildings and other structures, works and conveniences of all kind on any of the lands or immovable properties acquired by the Company and to lease, sell, deal in or to otherwise dispose of the same.
19. To build, construct, alter, maintain, pull down, remove or replace, and to work, manage and control any buildings, offices, factories, mills, shops, machinery, engines, roads, ways, tramways, branches of sidings, bridges, reservoirs, warehouses, wharves, electric works and other works and conveniences, which may seem calculated directly or indirectly to advance the interests of the Company and to join with any other person or Company in doing any of the aforesaid things.
20. Subject to the provisions of the Companies Act, 1956 and Rules framed thereunder and directions issued by Reserve Bank of India from time to time in this behalf, to borrow money in Indian rupees or foreign currencies and obtain foreign lines of credits / grants / aids for the purpose of the Company's business in such manner and on such terms and with such rights, privileges and obligations as the Company may think fit. The Company may issue bonds / debentures whether secured or unsecured; promissory notes, bills of exchange, hundis and other negotiable or transferable instruments or by mortgage, charge, hypothecation or pledge, or by debentures or by debenture stock, perpetual or otherwise, charge on all or any of the Company's property and assets, both present and future moveable and immovable, including its uncalled capital, upon such terms as the Directors may deem expedient or in such other manner or to take money on deposit or otherwise (merely for the purpose of financing the business of the Company) with or without allowance of interest thereon and to lend money to customers and others having dealings with the Company and to guarantee the performance of contract by any such persons and to execute all deeds, writings and assurances for any of the aforesaid purposes.
21. To establish laboratories for control of the quality of raw material, intermediates and finished products and to carry out research and investigations to process, improve and invent new and better techniques and methods of making products of steel and alloy steel ingots, steel and alloy steel billets, and all kinds and sizes of re-rolled sections and other products of the Company.
22. To establish, provide, maintain and conduct, or otherwise subsidize research laboratories and experimental workshops for scientific and technical research and experiments; to undertake and carry on scientific and technical research, experiments and tests of all kinds; to promote studies and researches, both scientific and technical, investigations and inventions by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences, and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the awards of scholarships, prizes, grants, to students or to her wise 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 business which the Company is authorized to carry on.

23. To apply for and acquire permits, licenses and quota rights from the Government of India or from State Governments or from foreign Governments to import and export plant, equipment, spare parts the roof, machinery, raw materials, intermediates, finished products and processing materials connected with the manufacturing and selling of the products of the Company.
24. To open current, fixed, overdraft or other accounts with any Bank, Bankers, Shroff, or Merchants and to pay into and to draw moneys from such accounts.
25. To invest the funds of the Company from time to time in such assets, properties, securities, shares, bullion, specie or investments or otherwise as may from time to time be determined by the Directors and from time to time sell or vary all such investments and to execute all assignments, transfers, receipts and documents that may be necessary in that behalf.
26. Upon any issue of shares, debentures or any other securities of the Company, to employ brokers, commission agents and underwriters, and to provide for the remuneration of such persons for their services by payment in cash or issue of shares, debentures or other securities of the Company, by the granting of options to take the same or in any other manner allowed by law.
27. To enter into partnership or into any arrangement for sharing profits, unions or interests, co-operation, joint venture, reciprocal concessions or otherwise or collaborate with any person or Company, carrying on or engaged in, any business or transaction, either in India or abroad, which this Company is authorized to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit the Company.
28. To act in conjunction with, unite or amalgamate with, create or constitute or assist in creating or constituting any other Company or Association of a kind similar wholly or partially to this Company y for the up prose of acquiring all or any of the properties, rights and liabilities of the Company and to buy y up or absorb all or any part of the business or property of any of such Company or Association and to acquire and secure membership, seat or privilege in and of any association, exchange, market or institution in India or any part of the world.
29. To enter into any arrangements with any government or authorities, municipal, local or otherwise, or any persons or Company in India or abroad, that may seem conducive to the objects of the Company or any of them and to obtain from any such Government, authority, persons or Company, any rights, privileges, charters, contracts, licenses and concessions including in particular rights in respect of waters, water ways, power supply, road and highways, which the Company may think desirable and to carry out, exercise and comply therewith.
30. To apply for and take out, purchase or otherwise by way of license or otherwise any patents, patent rights of inventions, trade mark rights, copy rights or secret process or technical aid or "knowhow" which may be useful for the Company's objects and to grant licenses to use the same.
31. To act as Buying and Selling Agents of any Company, and to do and perform wholly or partly the several duties, services and offices which the Buying and Selling Agents of any Company usually do and perform and to undertake and to become bound by conditions of any agreement entered into for any purposes.
32. To alter, manage, develop, exchange, lease, mortgage, underlet, sell give in gifts or otherwise dispose of, improve or deal with the land, property, assets and rights and resources and undertaking 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 having objects altogether or in part similar to those of this Company and to distribute among the members in cash or in specie any property or assets of the Company, provided that no such distribution amounts to reduction of share capital except in accordance with the provisions of the Company Act in this behalf.



33. To pay all costs, charge and expenses incurred or sustained in/ or about the promotion and establishment of the Company or which the Company shall construe to be preliminary, including there in the costs of advertising, commission for underwriting, brokerage, printing and stationery and the expenses attendant upon the formation of agencies and local boards.
34. To procure the incorporation, registration, or other recognition of the Company in India, and to establish and regulate agencies for the purposes of the Company's business and to apply or join in applying to Government, Local, Municipal or other authority or body for concessions, order, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interest.
35. To provide for welfare of the Directors or Ex-Directors or the employees or ex-employees of the Company, and the wives, widows and families of such persons, by building or by contributing to the building of houses, dwelling houses, crawls, or by grant of money, pensions, allowances, bonus or other payments or by creating and from time to time subscribing to gratuity and other funds and providing or subscribe in towards schools, places of instruction and recreation and hospitals, dispensaries, medical and other assistance as the Company shall think fit, and to form, subscribe to or otherwise aid benevolent, religious, scientific, national, public or other institutions or objects or purposes.
36. To sell, dispose of or transfer the business, property and undertaking of the Company or any part thereof for any consideration which the Company may deem fit to accept and in particular for shares, debentures, debenture stock, bonds or securities or any other Company or companies for the purpose of it or their acquiring all or any of the property, rights or liabilities of this Company or for any other purpose which may seem calculated to benefit the Company.
37. To create reserve fund, sinking Fund, insurance fund, dividend equalization fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for any other purposes conducive to the interest of the Company.
38. To place, to reserve or to distribute as the dividend or bonus among the members or otherwise to apply as the Company may from time to time think fit, any money received by way of premium on shares or debentures issued at a premium by the Company and any money received in respect of dividends accrued on forfeited shares and money arising from the sale by the Company of forfeited shares or from unclaimed dividends.
39. To do all or any of the things hereby authorized either alone or in conjunction with, or partnership with any person, firm or body corporate, or as factors, trustee or agents of any other Companies or persons on by or through any factors, trustees, or agents.
40. To do all and everything necessary, suitable or proper for the attainment of any of the purposes or the objects or in furtherance of any of the powers set forth herein, either alone or in association with other corporate bodies, firms, individual or entities and to do such other acts and things incidental or appurtenant to or growing out of or connected with the aforesaid business or powers or any part thereof.
41. To conceive, plan, collaborate, survey, design, study and evaluate all steps, processes, avail or provide techniques and methods for setting up of all types of infrastructure projects, facilities or works and to develop, build, construct, install, erect, undertake, lay down, commission, establish, finance, own, operate, manage, control, administer, lease or Transfer all infrastructure projects in the capacity of principal, contractor, advisor, engineer, consultant, service provider, surveyor or otherwise in India or abroad.
42. To carry on the business to construct, execute, carry out, equip, improve, work, develop, administer, manage or control, in India or abroad, public works and conveniences of all kinds including railways, tramways, roads, docks, harbors, piers, canals, reservoirs, embankments, irrigations, reclamations, improve mint, sewage, drainage, sanitary, water, gas, electric, light, telephone, telegraphic and power supply works, hotels, warehouses, markets and public buildings and all other works or conveniences of public

utility.

43. To carry on in India and / or elsewhere the business of a waterworks company in all its branches including but not limited to the business of production, distribution, supply, import, export or otherwise deal in potable water including mineral water, raw water, industrial water and process water and the business of raw water treatment, including desalination, from various sources like rivers, canals, lakes, wells, sea, ground water etc., and the business so of treatment and disposal of waste water, sewages and liquid wastes, and the business of establishing, operating, maintaining water production, distribution and supply systems / networks, water treatment plants, sewage treatment plants, pumping stations, water tanks, reservoirs and other storage units, water bottling units, water transmission lines, water pipelines on any commercial basis including build, own and Transfer (BOT) and / or buy , own and operate (BOO) and / or build, own, operate and maintain (BOOM) and / or build, own, lease and transfer (BOLT) and / or build, own, operate and transfer (BOOT) basis and / or takeover, acquire, manage or maintain any existing plant / utility from State Governments, Jal (water) Boards, Municipal Corporations, Local Authorities, Utility Companies, Licensees, Statutory Bodies and other organizations and for any/or all of the aforesaid purposes, to do all the necessary or ancillary activities as may be considered necessary, beneficial or desirable.
44. To carry on in India and / or elsewhere the business of development of water resources projects including dams, barrages, weirs, tunnels, canals, hydro power stations and reservoirs and inter linking projects of rivers and other water bodies, irrigation, flood control, drainage, sanitation, water navigation and transportation or any other projects relating to water logistics or usage and the business of manufacturing, importing, exporting, marketing and dealing in all chemicals and raw materials required for water conditioning, treatment, storage or usage.
45. To carry on in India and / or elsewhere, the business of buying, selling, marketing, supplying, importing, exporting, trading, storing, distributing, transporting or otherwise dealing in all kinds of petroleum, petroleum products and by-products, petrochemicals, fuel, oil, crude including other related products and to act as selling agents, commission agents, sales organizers, distributors, stockiest, del-cruder agents, clearing and forwarding agents, wholesalers and retailers for aforesaid products and designing, developing, erecting, installing, setting up, operating, maintaining, managing, owning, leasing, hiring retail or wholesale outlets, pumps, terminals, depots, storerooms, storage tanks, warehouses, godowns, objects, equipment, devices, facilities, infrastructure and to provide other related and ancillary services, facilities, assets or infrastructure, including but not limited to value added services of garage, service station, shop, office, parlors, hotel, motel, restaurant , guest house, rest house, facilities for communication, entertainment, insurance and banking and to plan, establish, develop, provide, promote, use, operate, conduct, procure, facilitate, maintain, do business, provide infrastructure and act as consultant and / or agent for attaining the above object.
46. To carry on in India and/ or elsewhere the business of processing, converting, refining, producing, manufacturing, formulating, fermentation, distillation, using, buying, acquiring, importing, storing, packaging, supplying, selling, transporting, distributing, exporting, dealing and disposing all kinds of chemicals, chemical compounds, petroleum products, gases reformat, distillate for actions, all petrochemicals, building blocks, derivatives, polymers, elastomers, resins, copolymers, polymer, processing chemicals, rubbers, synthetic fibre, solvents, essences, flavors perfumery materials, detergents, pesticides, micronutrients, refrigerants, catalysts and intermediates of all types, grades, formulations and in all forms whether liquid, solid or gas , including products of any Nature and kind whatsoever including by products, derivatives and mixtures thereof.
47. Subject to Sections 179, 188 of the Companies Act, 2013 or such replacement or re-enactment of the provisions, to sell or dispose-off the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular to dispose-off shares, debentures or securities of any other Corporation or organization.
48. To carry on in India or elsewhere, the business of buying, selling, marketing, supplying, importing, exporting, trading, hedging, storing, distributing, transporting manufacturing, compressing, producing, processing, refining, mixing, formulating, purifying,

disinfecting, converting, compounding, developing, deriving, discovering, searching, mining, quarrying, releasing, manipulating, preparing, or otherwise dealing in fuels required or used in industries, household, agriculture, laboratories, hospitals, aviators, vehicles, space rockets, communications, power plants, energy generation, water works, forest / plant protection and all other purposes whatsoever, including petroleum, petroleum products and by products, petrochemicals, oil, crude, oxygen, hydrogen, nitrogen, carbonic acid and all sorts of gases including Natural Gas (NG), Liquefied Natural Gas (LNG), Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG) and associated gaseous substance, hydro-carbons, coal, coal bed methane, lignite, coke, petrol, naphtha, high speed diesel, aviation turbine fuel, superior kerosene oil, including other related products and to act as selling agents, commission agents, sales organizers, distributors, stockiest, del-cruder agents, clearing and forwarding agents, wholesalers and retailers for aforesaid products and designing, developing, erecting, installing, setting up, operating, maintaining, managing, owning, leasing, hiring, retail or wholesale outlets, pumps, terminals, depots, showrooms, storage tanks, warehouses, godowns, objects, equipment, devices, facilities, infrastructure, and to carry on the business of transportation and distribution, designing, setting up, erecting, maintaining, and operating in India or abroad pipes, pipelines, cross country pipeline systems, cylinders and other allied facilities for distribution of fuels, gases, natural resources and to provide other related and ancillary services, facilities, assets or infrastructure including but not limited to value all sorts of added services and to plan, establish, develop, provide, promote, use, operate, conduct, procure, facilitate, maintain, do business, provide infrastructure and act as consultant and / or agent for attaining the above object.

49. To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose-off, turn to account or otherwise deal with, all or any part of the properties and rights of the Company.
50. To negotiate and enter into agreements and contracts with domestic and foreign companies, persons or other organizations for purchase / sale of equipment, technical, financial or any other assistance, for carrying out all or any of the objects of the Company and for purchase / sale of power and technical know-how and with national / international financial institutions Banks etc. for financial assistance and for carrying out all or any of the objects of the Company.
51. Upon and for the purpose of any issue of shares, debentures or any other securities of the Company, to enter into agreement with intermediaries including brokers, managers of issue / commission agents and underwriters and to provide for the remuneration of such persons for their services by way of payment in cash or issue of shares, debentures or other securities of the Company or by granting options to take the same or in any other manner as permissible under the law.
52. To enter into contracts of indemnity and get guarantee and allocations for the business of the Company.
53. To apply for purchase or otherwise acquire any trademarks, patents, inventions, licenses, concessions and the like conferring an exclusive or non-exclusive or limited right to use or any secret or other information as to any invention which may seem capable of being used for the purposes of the Company or acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired for the benefit of the Company.
54. To insure any of the rights, properties, undertakings, contracts, guarantees or obligations or profits of the Company of every nature and kind in any manner with any person, firm, association or company for the business of the Company.
55. To train and pay for the training of the Company's employees or to recruit and employ experts, advisors, consultants etc. in the interest of achieving the Company's objects.
56. To promote conservation and protection of electricity from theft, safety of life and to protect environments including air, land and water

57. To pay and provide for the remuneration, amelioration and welfare of persons employed or formerly employed by the Company and their families, providing for pension, allowances, bonuses, other payments or by creating for the purpose from time to time the Provident Fund, Gratuity and other Funds or Trusts. Further to undertake building or contributing to the building of houses, dwellings or crawls by grants of money or by helping persons employed by the Company to effect or maintain insurance on their lives by contributing to the payment of premium or otherwise and by providing or subscribing or contributing towards educational institutions, recreation, hospitals and dispensaries, medical and other assistance as the Company may deem fit.
58. To contribute money or otherwise assist to charitable, benevolent, religious, scientific, national, public or other institutions or objects or purposes, subject to provisions of the Companies Act.
59. To make donations either in cash or in kind for such objects or causes as may be directly or indirectly conducive to any of the Company's objects or otherwise expedient, subject to the provisions of the Companies Act, 1913.
60. To distribute among members of the Company dividend including bonus shares out of profits, accumulated profits or funds and resources of the Company in any manner permissible under law.
61. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its office rest or otherwise concerning the affairs of the Company and also to compound and to allow time for payment or satisfaction of any debts or recovery due, claims or demands by or against the Company, and to refer any claims or demands by or against the Company or any differences arising in execution of contracts to arbitration and observe and challenge any awards made in the interest of the Company.
62. To acquire, possess and undertake the whole or any part of the business, assets, property, goodwill, rights and liabilities of any person, firm, society, association, corporation, company or entity.
63. To obtain, apply for, arrange for the issue or enactment of order or Legislature or Act of Authority in India or any other part of the world for enabling the Company to obtain powers, authorities, protection, financial and other help necessary or expedient to carry out or extend any of the objects of the Company or for any other purpose which may seem expedient and to oppose any proceedings or application or any other endeavors, steps or measures which may seem calculated directly or indirectly to prejudice the Company's interests.
64. To improve, manage, develop, exchange, loan, lease, let, under lease sub-let, mortgage, sell, dispose- off, turn to account or otherwise deal with, any rights or property of the Company or the undertaking of the Company or any part thereof and, in respect of any disposal of whatever nature, for such consideration as the Company may think fit and, in particular, for shares, debentures or securities of any other association, partnership, corporation or company and to promote or aid in the promotion of any other association, partnership, corporation or company for the purpose of the acquisition of all or any of the properties, rights or liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
65. To carry on the business of an investment company or an investment trust company and to undertake and to transact all kinds of trust and agency business. To carry on business as financiers and to lend or invest money and negotiate loans in any for m or manner on property or on mortgage of immovable property or against bank guarantee and to make advances of money against future supply of goods and services on such terms as the Directors may consider necessary and to draw, accept, endorse, discount, buy, sell and deal in bills of exchange, hundis, promissory notes and other negotiable instruments and securities and also to issue on commission, to subscribe, or undertake, acquire and hold, sell, and exchange and deal in shares, stocks, bonds or debentures or securities of any Government or public authority or Company, gold, silver, and bullion, and to form, promote, subsidies and assist companies syndicates and partnerships of all kinds to

project, promote and to start industries and also to give any guarantee for payment of money or performance of any obligation or undertaking and to undertake and execute any trust and generally to carry on and undertake any business undertaking, transaction or operation Commonly carried on or undertaken by promoters, financiers and underwriters, industrialists, but not to carry on the business of banking or insurance within the purview of the Banking Regulations Act, or the Insurance Act.

66. To receive grants, subsidies, contributions, donations, loans, advances or other monies or deposits of whatsoever nature from State Government, Central Government, Foreign Government and bodies, banks, companies, trusts or individuals with or without conditions for the purpose of fulfillment of objects of the Company.
67. To establish and maintain agencies, branch offices and local agencies, to procure registration or recognition of the Company and to carry on business in any part of India and world and to take such steps as may be necessary to give the Company such rights and privileges in any part of the world as deemed proper in the interest of the Company.
68. To promote and undertake the formation of any institution or company or subsidiary company or for any aforesaid objects intended to benefit the Company directly or indirectly and to coordinate, control and guide their activities.
69. To establish or support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences for the benefit of past or present employees or Directors of the Company or the dependents of such persons and to grant pensions and allowances to make payments towards insurance to subscribe or guarantee money for charitable or benevolent objects or useful objects for general public.
70. To purchase or import, take on lease or in exchange, hire or otherwise acquire any movable or immovable property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade.
71. To issue or allot fully or partly paid shares in the capital of the Company in payment or part payment of any movable or immovable property purchased or otherwise acquired by the Company or any services rendered to the Company or for such other consideration as the Company may think fit and proper.
72. To establish or support association, institutions, schools, hospitals, guest houses, clubs, funds and trusts which may be considered beneficial official to employees, ex- employees, officers and ex-officers of the Company or the dependents of any such person.
73. Subject to the provisions of the Companies Act, 1956 or any amendment or re- enactment thereof, in the event of winding up, to distribute among the members in specie any property of the Company or any proceeds of sale on disposal of any property.
74. To do all such other things as may be demand incident tall or conducive to the attainment of the above Objects or any of them and to carry on any business which may seem to the Company capable of being conveniently carried in connection with any of the Company's objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.

IV. The liability of the members of the Company is limited.

- V. (a)# The Authorised Share Capital of the Company is Rs. \*650,00,00,000/- (Rupees Six hundred and fifty crore only) divided into 50,00,00,000 (Fifty crore) equity shares of Rs.10/- each (Rupees ten only), and 15,00,00,000 (Fifteen crore) preference shares of Rs. 10 each with power to increase and reduce the Capital of the Company and to divide the shares and to divide the shares in the capital for the time being into several classes and attached thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions as may be determined by or in accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or the Articles of Association of the Company for the time

being.

- (b) The minimum paid up capital of the Company shall be Rs. 5,00,000/- (Rupees five lakhs only).

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# Amended *vide* Ordinary Resolution passed by the Members at the Extraordinary General Meeting held on May 6, 2011 and pursuant to the Order No. 7410/11 dated March 1, 2011 of the Hon'ble High Court of Gujarat, Ahmedabad, sanctioning the Composite Scheme of Arrangement between Essar Shipping Ports & Logistics Limited, Essar Ports & Terminals Limited, Essar International Limited and Essar Shipping Limited and their respective Shareholders and Creditors. \* Further altered at the seventh AGM held on December 29, 2017

WE, the several persons whose names addresses and descriptions are subscribed hereunto, 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:-

Sr. No.	Name, address, description and occupation of each Subscriber	Number of Equity Shares taken by each subscriber	Signature of Subscriber
1.	<b>ESSAR DREDGING LIMITED</b> Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400034 [Through its Authorised Representative Mr. Ma noj Contractor, S/o Mr. Vinod Contra ctor, residing at Mumbai, pursuant to Board resolution dated January 27, 2010] Occupation: Business	49,940 (Forty nine thousand nine hundred and forty)	Sd/-
2.	<b>R. JAGANNATHAN</b> S / o Mr. L. Raghavan A 501, Building No. 40, Ashwini CHS, Tilak Nagar, Chembur, Mumbai - 400 089 Occupation: Service	10 (Ten)	Sd/-
3.	<b>MANOJ CONTRACTOR</b> S/o Mr. Vinod Contractor 6A / 503, Spring Leaf, Lokhandwala, Kandivli (E), Mumbai - 400 101 Occupation: Service	10 (Ten)	Sd/-
4.	<b>MITISH SOMANI</b> S/o Mr. Manohar Lal 102, Suvidhi Bangur Nagar, Goregaon (W), Mumbai - 400 090. Occupation: SERVICE	10 (Ten)	Sd/-
5.	<b>VIKRAM GUPTA</b> S/o Mr. Vinod Gupta Jollyland CHS, Bunglow No. 3, N. B. Patil Marg, Chembur, Mumbai - 400 071 Occupation: Service	10 (Ten)	Sd/-
6.	<b>PARAG PISAT</b> S/o Mr. Ramnath Pisat Flat No. 404, 4 <sup>th</sup> Floor, Ahimsa Terrace Co-operative Housing Society Limited, Jai Prakash Nagar, Road No. 2, Goregoan (E), Mumbai 400 063 Occupation: Service	10 (Ten)	Sd/-
7.	<b>S. RAMAN</b> S/o Late Mr. Subramania Iyer C-305, NG Garden, Bunder Pakhadli Road, Kandivli (W), Mumbai - 400 067 Occupation: Service	10 (Ten)	Sd/-
	<b>Total</b>	<b>50,000 (Fifty thousand)</b>	

Witness to the above signatures

Sd/-  
**SATISH RATHI** S/o Mr. Pukhraj Rathi  
D-1001, Galaxy Heights, Goregaon Link Road,  
Goregaon (W), Mumbai - 400 104

Occupation: Service

Dated: March 31, 2010  
Place: Mumbai





7410/11  
No. No.  
Comp. No.  
Total 185285

RDS 18/3/11  
"Corrected by"

-/-

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD  
ORIGINAL JURISDICTION  
COMPANY PETITION NO. 208 OF 2010  
CONNECTED WITH  
COMPANY APPLICATION NO. 302 OF 2010

Section Officers  
Decree Department  
Dt. 18/3/2011

In the matter of the Companies Act, 1956;  
And  
In the matter of Sections 391 to 394 read with  
Sections 78 and Sections 100 to 104 of the  
Companies Act, 1956;

And  
In the matter of Essar Shipping Limited,  
a company incorporated under the Companies  
Act, 1956, and having its registered office at  
Administrative Building, Essar Refinery  
Complex, Okha Highway (SH-25), Taluka  
Khambalia, Jamnagar - 361305, Gujarat;

And  
In the matter of the Composite Scheme of  
Arrangement amongst Essar Shipping Ports &  
Logistics Limited, Essar Ports & Terminals  
Limited, Essar International Limited and Essar  
Shipping Limited and their respective  
shareholders and creditors.

Essar Shipping Limited, }  
a company incorporated under the }  
Companies Act, 1956, and having }  
its registered office at }  
Administrative Building, Essar }  
Refinery Complex, Okha Highway }  
(SH-25), Taluka Khambalia, }  
Jamnagar - 361 305, Gujarat. }

...Petitioner Company  
(Resulting Company)

BEFORE HONOURABLE Mr. JUSTICE A.S.DAVE

Date: 1<sup>st</sup> March, 2011

- 2 -

Order On Petition

The above petition coming on for hearing on 1<sup>st</sup> March, 2011, upon reading the said petition, the order dated 21<sup>st</sup> October 2010, passed in the Company Application No. 302 of 2010 whereby the meeting of the Equity Shareholders of the Petitioner Company for the purpose of considering, and if thought fit, approving, with or without modifications, the arrangement proposed to be made between the said Company and its members by the Composite Scheme of Arrangement in the nature of Amalgamation amalgamating two Transferor Companies, viz. Essar Ports & Terminals Limited and Essar International Limited with Essar Shipping Ports & Logistics Limited, and further de-merger and transfer of two Demerged Undertakings, comprising the Shipping and Logistics Business and Oilfield Drilling Business of Essar Shipping Ports & Logistics Limited to Essar Shipping Limited, the Resulting Company as well as a consequential reorganisation of capital in the form of a reduction of capital of Essar Shipping Ports & Logistics Limited and reduction of capital of Essar Shipping Limited, was dispensed with in view of the consent letters of the shareholders and it appearing from the consent letters placed on record that proposed scheme has been unanimously approved by the Equity Shareholders; and considering the affidavit dated 16<sup>th</sup> February 2011 filed by Uttam Chand Nahta, the Regional Director, North Western Region, Ministry of Corporate Affairs, and considering the Additional Affidavit dated 28<sup>th</sup> February, 2011 filed by the petitioner and upon hearing Mr. Saurabh N. Soparkar, learned Senior Advocate appearing with Smt. Swati Soparkar, Advocate for the Petitioner Company, and hearing Shri M. Iqbal A. Shaikh, Standing Counsel, appearing for the Central Govt.,

This Court doth hereby sanction the scheme of arrangement set forth in para 14 of the petition herein and in the Schedule hereto, and doth hereby declare the same to be binding on the Equity Shareholders of the above named Company and also on the said Company.

This Court doth hereby further sanction the Reduction of Capital in terms of Clause 59 of the Scheme and Para 23 of the petition and Special Resolution passed at the Extra Ordinary General Meeting dated 30<sup>th</sup> November 2010, and doth hereby specifically confirm that the minute proposed to be registered under Sec. 103 (1)(b) for the purpose, is hereby approved.

This court doth further order that the petitioner company shall comply with the statutory requirements of the Reserve Bank of India in relation to the present scheme.

And this Court doth further order that parties to the scheme of arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the said arrangement, and

That the said Company do file with the Registrar of the Companies a certified copy of this order within 30 days from the receipt of the same, and

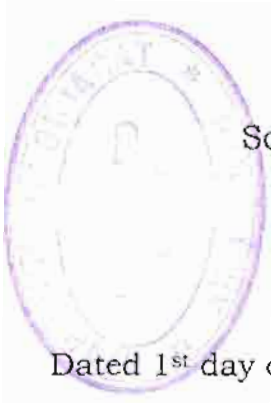
This Court doth further order payment of Rs. 7,500/- in aggregate as the cost of this petition awardable to Shri M. I. Shaikh, Standing Counsel.

#### SCHEDULE

Scheme of Arrangement as sanctioned by the court.

Minutes Under Sec. 103 (1) (b)

Dated 1<sup>st</sup> day of March, 2011



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1

MINUTE UNDER SEC. 103 (1) (b)

1

“Upon coming into effect of the Composite Scheme of Arrangement amongst Essar Shipping Ports & Logistics Limited (the Company), Essar Ports & Terminals Limited, Essar International Limited and Essar Shipping Limited and their respective shareholders and creditors, reduction in the authorized, issued, subscribed and paid up share capital of the company from Rs.205,27,77,730 comprising 20,52,77,773 equity shares of Rs.10/- each to Rs.205,22,77,730 /- comprising of 20,52,27,773 equity shares of face value Rs.10/- each, on and from the date on which the Scheme will come into effect, by way of cancellation of the existing shareholding of Essar Shipping Ports & Logistics Limited in the equity share capital of the Company pursuant to and in accordance with the terms of the Scheme.”

TRUE COPY

  
  
Advocate

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~~ANNEXURE #~~  
49

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

AMONGST

Essar Shipping Ports & Logistics Limited

AND

Essar Ports & Terminals Limited

AND

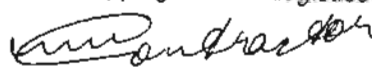
Essar International Limited

AND

Essar Shipping Limited

CERTIFIED TRUE COPY

Essar Shipping Ports & Logistics Limited

  
Manoj Contractor  
Company Secretary

and their respective shareholders and creditors

PART I - GENERAL

- A. Essar Shipping Ports & Logistics Limited, is a public limited company incorporated under the Act (as hereinafter defined), having its registered office at Administrative Building, Essar Refinery Complex, Okha Highway SH 25, Taluka Khambalia, Jamnagar 361305, Gujarat ("**ESPLL**" or the "**Amalgamated Company**" or the "**Demerged Company**"). ESPLL is primarily engaged in 3 businesses as set out below, directly and through its subsidiaries:

- (i) sea transportation management services for crude oil, petroleum products and dry bulk cargo and onshore and offshore logistics services (the "**Shipping and Logistics Business**");
- (ii) onshore and offshore contract drilling services (the "**Oilfields Drilling Business**"); and
- (iii) ports and terminals (the "**Ports and Terminals Business**").

- B. The equity shares of ESPLL are listed on The Bombay Stock Exchange Limited and the National Stock Exchange of India Limited (the "**Stock Exchanges**"). The ESPLL FCCBs (as defined hereinafter) amounting to USD 280 million issued by ESPLL are listed on the Singapore Exchange Limited. The NCDs (as defined hereinafter) issued by ESPLL are listed on the Wholesale Debt Market segment of the National Stock Exchange of India Limited.

- C. Essar Ports & Terminals Limited is a company incorporated and registered under the laws of the Republic of Mauritius, having its registered office at 10,





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Frère Félix de Valois Street, Port Louis, Mauritius (the "**First Amalgamating Company**"). The First Amalgamating Company is engaged in the ports and terminals business through its subsidiaries. The First Amalgamating Company is currently a wholly owned subsidiary of ESPLL.

- D. Essar International Limited is a company currently incorporated under the laws of Guernsey, having its registered office at 1, Le Merchant Street, Guernsey, Channel Island (the "**Second Amalgamating Company**" and together with the First Amalgamating Company referred to as the "**Amalgamating Companies**"). The Second Amalgamating Company has initiated the process to transfer to, and to be registered and continue as a Category 2 Global Business Licence Company in, Mauritius. The Second Amalgamating Company is currently a wholly owned subsidiary of ESPLL and has the main object to carry on the business of ship owners, ship charterers, ship managers and to provide all types of logistics services and other incidental businesses.

- E. Essar Shipping Limited is a public limited company incorporated under the Act, having its registered office at Administrative Building, Essar Refinery Complex, Okha Highway (SH - 25), Taluka Khambalia, District Jamnagar, Gujarat 361305, Gujarat (the "**Resulting Company**"). The Resulting Company has the main object, *inter alia*, to carry on the business of ship owners, ship charterers, shipping agents and logistics service providers, including through the acquisition of shares or other rights in companies engaged in the shipping and logistics and oilfield drilling services businesses. The equity shares of the Resulting Company are not listed on any stock exchange.

- F. The Resulting Company is currently a wholly owned subsidiary of ESPLL.
- G. In order to concentrate growth efforts in a focused manner and enable rationalisation of the holding structure of its various businesses, it is proposed that the Amalgamating Companies (as hereinafter defined) be amalgamated with ESPLL by way of the Amalgamations (as hereinafter defined), and that the Demerged Undertakings (as hereinafter defined) comprising the Shipping and Logistics Business and Oilfield Drilling Business of ESPLL be segregated from its Ports and Terminals Business and transferred and vested in the Resulting Company by way of a Demerger (as hereinafter defined), with a view to creating focused entities engaged in (i) the Ports and Terminals Business and (ii) the Shipping and Logistics and Oilfield Drilling Businesses respectively.
- H. The above shall be undertaken through this Scheme (as hereinafter defined) under the provisions of Sections 391 to 394 and other relevant provisions of the Act and applicable law in Mauritius.
- I. The Amalgamations and the Demerger pursuant to this Scheme will create a focussed platform for future growth of the Ports and Terminals Business, distinct from the Demerged Undertakings which will be operated in the Resulting Company.



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J. The Ports and Terminals Business and the Shipping and Logistics Business and Oilfields Drilling Business each have tremendous growth and profitability potential and require focused leadership and management attention. The nature of risk and competition involved in each of these businesses is distinct and is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders. There are also differences in the manner in which each of these businesses are required to be managed. The Scheme will result in focused business operations of ESPLL and the Resulting Company and allow them increased flexibility in taking advantage of the huge growth opportunities in their respective business segments. The demerger is proposed in order to enable distinct focus of investors to invest in these businesses and to lend greater focus to its business operations. The proposed Amalgamations will help to rationalise the holding structure of the Ports and Terminals Business of ESPLL.

K. Accordingly, this Scheme provides for:

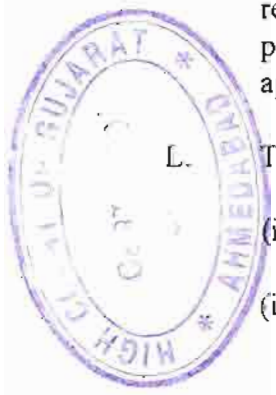
- (i) the amalgamation of the Amalgamating Companies with ESPLL and the consequent cancellation of the entire share capital of each of the Amalgamating Companies; and
- (ii) the transfer by way of a Demerger of the Demerged Undertakings of ESPLL to the Resulting Company, and the consequent issue of equity shares by the Resulting Company to the shareholders of ESPLL

and various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme, including the reorganisation of the share capital of ESPLL and the Resulting Company, pursuant to Sections 391 to 394 and other relevant provisions of the Act and applicable law.

L. The Scheme is divided into the following parts:

- (i) **Part I**, which deals with the introduction and definitions;
- (ii) **Part II**, which deals with the amalgamation of the First Amalgamating Company with ESPLL;
- (iii) **Part III**, which deals with the amalgamation of the Second Amalgamating Company with ESPLL;
- (iv) **Part IV**, which deals with the Demerger and the reorganization of the share capital of ESPLL and the Resulting Company; and
- (v) **Part V**, which deals with the general terms and conditions that would be applicable to Part II, Part III and Part IV of the Scheme.

M. The Amalgamations of the Amalgamating Companies with ESPLL shall comply with the provisions of Section 2(1B) of the Income Tax Act, 1961, such that:



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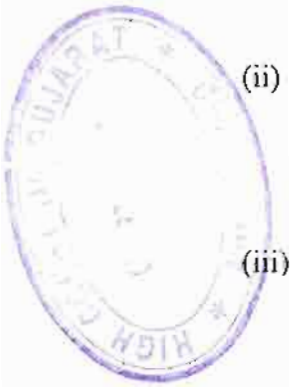
-8-

- (i) all the properties of the Amalgamating Companies, immediately before the Amalgamations become the property of ESPLL, by virtue of the Amalgamations;
- (ii) all the liabilities of the Amalgamating Companies, immediately before the Amalgamations become the liability of ESPLL, by virtue of the Amalgamations; and
- (iii) all shareholders in the Amalgamating Companies (other than ESPLL), will become shareholders of ESPLL by virtue of the Amalgamations. Since ESPLL is the sole shareholder of both the Amalgamating Companies, the shares of ESPLL in the Amalgamating Companies will stand cancelled as a result of the Amalgamations.

The Amalgamations are not and do not arise as a result of the acquisition of the property of either of the Amalgamating Companies by ESPLL pursuant to the purchase of such property by ESPLL or as a result of the distribution of such property to ESPLL after the winding up of the Amalgamating Companies.

N. The Demerger of the Demerged Undertakings from the Demerged Company to the Resulting Company shall comply with the provisions of Section 2(19AA) of the Income Tax Act, 1961, such that:

- (i) all the properties of the Demerged Undertakings, being transferred by the Demerged Company, immediately before the Demerger shall become the properties of the Resulting Company by virtue of such Demerger;
- (ii) all the liabilities relating to the Demerged Undertakings, being transferred by the Demerged Company, immediately before the Demerger shall become the liabilities of the Resulting Company by virtue of such Demerger;
- (iii) the properties and the liabilities relating to the Demerged Undertakings being transferred by ESPLL shall be transferred to the Resulting Company at the values appearing in the books of account of ESPLL immediately before the Demerger. For this purpose, any change in the value of assets consequent to their revaluation, if any, shall be ignored;
- (iv) the Resulting Company shall issue, in consideration of the Demerger, shares to the shareholders of ESPLL on a proportionate basis;
- (v) all shareholders of ESPLL shall become the shareholders of the Resulting Company by virtue of the Demerger, otherwise than as a result of the acquisition of the property or assets of the Demerged Company or any undertaking thereof by ESPLL; and
- (vi) the transfer of the Demerged Undertakings shall be on a going concern basis.





- O. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" and "Demerger" as specified under Section 2(1B) and Section 2(19AA) of the Income Tax Act, 1961 respectively. If any term or provision of the Scheme is found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of law or for any other reason whatsoever and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and Section 2(19AA) of the Income Tax Act, 1961. Such modification will however not affect other parts of the Scheme.

## 1. DEFINITIONS AND INTERPRETATION

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

"Act" means the (Indian) Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force;

"**Amalgamated Company**" shall have the meaning ascribed to it in paragraph A of Part I;

"**Amalgamating Companies**" means, collectively, the First Amalgamating Company and the Second Amalgamating Company;

"**Amalgamation(s)**" means, collectively, the amalgamation of the First Amalgamating Company with ESPLL in terms of this Scheme as set out in Part II and the amalgamation of the Second Amalgamating Company with ESPLL in terms of this Scheme as set out in Part III, in compliance with Section 2(1B) of the Income Tax Act, 1961;

"**Amalgamation Appointed Date**" means the close of business on September 30, 2010 or such other date as may be determined by the Boards of Directors of the Amalgamated Company, the First Amalgamating Company and the Second Amalgamating Company;

"**Board of Directors**" or "**Board**" in relation to each of ESPLL, the Resulting Company, the First Amalgamating Company and the Second Amalgamating Company, as the case may be, means the board of directors of such company, and shall include a committee of the board members duly constituted and authorised for the purposes of matters pertaining to the Demerger and/or the Amalgamations (as applicable), the Scheme and/or any other matter relating thereto;

"**Bond Agreement**" means the paying, conversion and transfer agency agreement dated August 17, 2010 executed between ESPLL, Deutsche Trustee Company Limited, Deutsche Bank Luxembourg S.A. and Deutsche Bank AG, London Branch in connection with the issuance of the ESPLL FCCBs;

"**Debt Securities**" shall have the meaning ascribed to it in Clause 49;



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**"Demerged Company"** means ESPLL, after giving effect to the Amalgamations pursuant to Parts II and III of this Scheme;

**"Demerged Undertakings"** means, collectively, the First Demerged Undertaking and the Second Demerged Undertaking;

**"Demerger"** means the transfer by way of demerger pursuant to this scheme of arrangement under Sections 391 to 394 of the Act of the Demerged Undertakings to the Resulting Company, and the consequent issue of equity shares by the Resulting Company to the shareholders of ESPLL as set out in this Scheme, in accordance with Section 2(19AA) of the Income Tax Act, 1961;

**"Demerger Appointed Date"** means the opening of business on October 1, 2010 or such other date as may be determined by the Boards of Directors of ESPLL and the Resulting Company;

**"Effective Date"** means the last of the dates on which all the conditions and matters referred to in Clause 79 of this Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of 'coming into effect of the Scheme' or 'effectiveness of the Scheme' shall mean the Effective Date;

**"Employees"** means all the permanent employees of ESPLL employed/engaged in the Demerged Undertakings as on the Effective Date;

**"Encumbrance"** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever; and the term **"Encumbered"** shall be construed accordingly;

**"ESPLL"** shall have the meaning ascribed to it in paragraph A of Part I;

**"ESPLL FCCBs"** means the FCCBs outstanding as on the Record Date, issued by ESPLL in August, 2010 and listed on the Singapore Exchange Limited;

**"FCCBs"** means the outstanding Foreign Currency Convertible Bonds issued pursuant to the "Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depositary Receipt Mechanism) Scheme, 1993" and other applicable law;

**"First Amalgamating Company"** shall have the meaning ascribed to it in paragraph C of Part I and includes all the undertakings and the entire business of the First Amalgamating Company, whether reflected in the books of accounts of the First Amalgamating Company or not, including (without limitation):

- (i) all the undertakings, the entire business, all the properties and assets (whether movable or immovable, tangible or intangible), wherever situated, including the right to use such assets and property, land, buildings and structures, offices, marketing offices, residential and



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other premises;

- (ii) current assets (including inventories, sundry debtors, bills of exchange, loans and advances etc.), vehicles, furniture, fixtures, office equipment, appliances, accessories, and other facilities and premises, deposits, all stocks and assets;
- (iii) investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates);
- (iv) cash and bank balances;
- (v) contingent rights or benefits, receivables, benefit of any deposits and financial assets;
- (vi) leases, hire purchase contracts, credit advances, provisions, other commitments appertaining or relatable to the Amalgamating Company;
- (vii) lending contracts, benefit of any security arrangements, including obligations thereunder and other MOUs and licenses;
- (viii) fixed and other assets, benefits of assets or properties or other interest held in trust;
- (ix) registrations, contracts, engagements, arrangements of all kind;
- (x) privileges and all other rights including title, interests, other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the First Amalgamating Company;
- (xi) all authorisations, permits, approvals, authorisations, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services;
- (xii) benefits of all agreements, contracts and arrangements, including direct and indirect taxes including advance tax paid or any tax deducted in respect of income received, exemptions;
- (xiii) all necessary records, files, papers, computer programmes, websites, domain names, and other records whether in physical form or electronic form in connection with or relating to the First Amalgamating Company; and
- (xiv) all other interests in connection with or relating to the First Amalgamating Company together with all present and future debts, borrowings, obligations and liabilities (including contingent liabilities), whether secured or unsecured;

**"First Amalgamating Company Liabilities"** shall have the meaning



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ascribed to it in Clause 5;

**"First Demerged Undertaking"** means the Demerged Company's undertakings, business, activities and operations pertaining to the Shipping and Logistics Business of the Demerged Company, on a going concern basis, and shall mean and include, without limitation:

- (i) all assets and property of the Shipping and Logistics Business whether situated in India or abroad, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, including the 22 shipping vessels described in **Schedule I**, all lands (whether leasehold or freehold, including those set out in **Schedule II**), buildings, plant and machinery, offices, capital, work-in-progress, rolling stock, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), cash and bank accounts (including bank balances), benefit of any deposits, financial assets, investments (including the investments in Essar Logistics Limited) benefit of any bank guarantees, performance guarantees and letters of credit in relation to the Shipping and Logistics Business, vehicles, D.G. sets, godowns, warehouses, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, railway lines and sidings, water pipelines, depots, share of any joint assets, and other facilities;
- (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), patents, copyrights, records, designs, and all other intellectual property rights in the aforesaid, municipal permissions, approvals, consents, subsidies, tenancies in relation to the offices, and/or residential properties for the employees, privileges, income tax benefits and exemptions including the benefits of Section 33AC of the Income Tax Act, 1961, the option for the Tonnage Tax Scheme in respect of its qualifying ships, all taxes including but not limited to Minimum Alternate Tax ("**MAT**") paid under Section 115JA/115JB of the Income Tax Act, 1961 and the right to claim credit therefore in accordance with the provisions of Section 115JAA of the Income Tax Act, 1961, right to claim credit in respect of all advance taxes, tax deducted at source, tax collected at source, all other rights including sales tax deferrals and exemptions and other benefits, lease rights, receivables, and liabilities related thereto, 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 and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Shipping and Logistics Business;
- (iii) all earnest moneys and/or security deposits paid by the Demerged Company in connection with or relating to the Shipping and Logistics





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Business:

- (iv) all books, records, files, papers, engineering and process information, computer programmes, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Shipping and Logistics Business; and
- (v) all obligations and liabilities, both present and future, (including deferred tax liabilities, contingent liabilities and the Transferred Liabilities (as hereinafter defined) and obligations under any licenses or permits or schemes), whether secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheet of the Demerged Company, appertaining or relating to the Shipping and Logistics Business.

For the purposes of this Scheme, it is clarified that liabilities pertaining or relating to the First Demerged Undertaking shall mean:

- (a) The liabilities which arise out of the activities or operations of the First Demerged Undertaking;
- (b) The specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the First Demerged Undertaking (including such portion of the NCDs and the ESPLL FCCBs that have been utilized solely for the activities or operations of the First Demerged Undertaking as on the Appointed Date); and
- (c) In cases, other than those referred to in sub-Clauses (a) and (b) above, so much of the amounts of general or multipurpose borrowings of the Demerged Company, allocable to the First Demerged Undertaking as stand in the same proportion with which the value of the assets transferred to the Resulting Company under this Scheme bears to the total value of the assets of the Demerged Company immediately before the Demerger, as prescribed under the Income Tax Act, 1961;

**"Funds"** shall have the meaning ascribed to it in Clause 50;

**"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India;

**"High Court"** means the High Court of Judicature at Ahmedabad, Gujarat having jurisdiction in relation to the Demerged Company and the Resulting Company and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any of the



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powers of a High Court under the Act;

**"Mauritius Companies Act"** means the Mauritius Companies Act 2001 or any statutory modification or re-enactment thereof for the time being in force;

**"NCDs"** means the 11.35% secured rated redeemable non-convertible debentures aggregating Rs.700 Crores of ESPLL, which are listed on the Wholesale Debt Market segment of the National Stock Exchange of India Limited;

**"Oilfields Drilling Business"** shall have the meaning ascribed to it in paragraph A of Part I;

**"Ports and Terminals Business"** shall have the meaning ascribed to it in paragraph A of Part I;

**"Record Date"** means the date to be fixed by the Board of Directors of ESPLL after sanction of the Scheme by the High Court for the purpose of determining the equity shareholders of ESPLL to whom equity shares of the Resulting Company will be allotted pursuant to and in terms of this Scheme;

**"Registrar of Companies"** means the Registrar of Companies, Gujarat;

**"Remaining Business"** means all the undertakings, businesses, activities and operations (including all investments and assets in relation to Ports and Terminals Business of the Demerged Company) other than those comprised in the Demerged Undertakings. For the avoidance of doubt it is clarified that the Tug Persistence and Tug Perseverance, being sea going vessels which relate to the Ports and Terminals Business, shall form part of the Remaining Business. For the avoidance of doubt, the option for the Tonnage Tax Scheme shall remain in force for the unexpired period of the Tonnage Tax Scheme in the hands of ESPLL, till the time it continues to remain a qualifying company for the purposes of the Tonnage Tax Scheme;

**"Resulting Company"** shall have the meaning ascribed to it in paragraph E of Part I of this Scheme;

**"Scheme"** means this composite scheme of arrangement, including the schedules, or as amended or modified in accordance with the provisions or the directions of the High Court;

**"Second Amalgamating Company"** shall have the meaning ascribed to it in paragraph D of Part I and includes all the undertakings and the entire business of the Second Amalgamating Company, whether reflected in the books of accounts of the Second Amalgamating Company or not, including (without limitation):

- (i) all the undertakings, the entire business, all the properties and assets (whether movable or immovable, tangible or intangible), wherever situated, including the right to use such assets and property, land,

buildings and structures, offices, marketing offices, residential and other premises;

- (ii) current assets (including inventories, sundry debtors, bills of exchange, loans and advances etc.), vehicles, furniture, fixtures, office equipment, appliances, accessories, and other facilities and premises, deposits, all stocks and assets;
- (iii) investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates);
- (iv) cash and bank balances;
- (v) contingent rights or benefits, receivables, benefit of any deposits and financial assets;
- (vi) leases, hire purchase contracts, credit advances, provisions, other commitments appertaining or relatable to the Amalgamating Company;
- (vii) lending contracts, benefit of any security arrangements, including obligations thereunder and other MOUs and licenses;
- (viii) fixed and other assets, benefits of assets or properties or other interest held in trust;
- (ix) registrations, contracts, engagements, arrangements of all kind;
- (x) privileges and all other rights including title, interests, other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Second Amalgamating Company;
- (xi) all authorisations, permits, approvals, authorisations, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services;
- (xii) benefits of all agreements, contracts and arrangements, including direct and indirect taxes including advance tax paid or any tax deducted in respect of income received, exemptions;
- (xiii) all necessary records, files, papers, computer programmes, websites, domain names, and other records whether in physical form or electronic form in connection with or relating to the First Amalgamating Company; and
- (xiv) all other interests in connection with or relating to the Second Amalgamating Company together with all present and future liabilities, debts, borrowings, obligations and (including contingent liabilities) whether secured or unsecured;



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"Second Amalgamating Company Liabilities" shall have the meaning ascribed to it in Clause 27;

"Second Demerged Undertaking" means the Demerged Company's undertakings, business and activities pertaining to the Oilfields Drilling Business of the Demerged Company, on a going concern basis, and shall mean and include, without limitation:

- (i) all assets and property of the Oilfields Drilling Business whether situated in India or abroad, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, all lands, buildings, plant and machinery, offices, capital, work-in-progress, rolling stock, current assets (including inventories, sundry debtors, loans and advances), cash and bank accounts (including bank balances), benefit of any deposits, financial assets, investments (including investments in Essar Oilfield Services Ltd., Mauritius), benefit of any bank guarantees and performance guarantees in relation to the Oilfields Drilling Business, vehicle, D.G. sets, godowns, warehouses, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, railway lines and sidings, water pipelines, depots, share of any joint assets, and other facilities;
- (ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), patents, copyrights, records, designs, and all other intellectual property rights in the aforesaid, municipal permissions, approvals, consents, subsidies, tenancies in relation to the offices, and/or residential properties for the employees, privileges, income tax benefits and exemptions, all taxes including but not limited to MAT paid under Section 115JA/115JB of the Income Tax Act, 1961 and the right to claim credit therefore in accordance with the provisions of Section 115JAA of the Income Tax Act, 1961, right to claim credit in respect of all advance taxes, tax deducted at source, tax collected at source, all other rights including sales tax deferrals and exemptions and other benefits, lease rights, receivables, and liabilities related thereto, 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 and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Oilfields Drilling Business;
- (iii) all earnest moneys and/or security deposits paid by the Demerged Company in connection with or relating to the Oilfields Drilling Business;
- (iv) all books, records, files, papers, engineering and process information, computer programmes, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and





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advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Oilfields Drilling Business; and

- (v) all debts, borrowings, obligations and liabilities, both present and future, (including deferred tax liabilities, contingent liabilities and the Transferred Liabilities and obligations under any licenses or permits or schemes), whether secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheet of the Demerged Company, pertaining or relating to the Oilfields Drilling Business.

For the purpose of this Scheme, it is clarified that liabilities pertaining or relating to the Second Demerged Undertaking shall mean:

- (a) liabilities which arise out of the activities or operations of the Second Demerged Undertaking;
- (b) The specific loans or borrowings raised, incurred and utilized solely for the activities or operations of the Second Demerged Undertaking (including such portion of the NCDs and the ESPL FCCBs that have been utilized solely for the activities or operations of the Second Demerged Undertaking as on the Appointed Date); and
- (c) In cases, other than those referred to in sub-Clauses (a) and (b) above, so much of the amounts of general or multipurpose borrowings of the Demerged Company, allocable to the Second Demerged Undertaking as stand in the same proportion with which the value of the assets transferred to the Resulting Company under this Scheme bears to the total value of the assets of the Demerged Company immediately before the Demerger, as prescribed under the Income Tax Act, 1961;



“Securities Act” shall have the meaning ascribed to it in Clause 58;

“Shipping and Logistics Business” shall have the meaning ascribed to it in paragraph A of Part I;

“Stock Exchanges” shall have the meaning ascribed to it in paragraph B of Part I;

“Tonnage Tax Scheme” means the scheme for the computation of profits and gains of business of operating qualifying ships under the provisions of Chapter XII-G of the Income Tax Act, 1961;

“Transferred Liabilities” shall have the meaning ascribed to it in Clause 49;

“Tug Perseverance” means the Tug registered under the Merchant Shipping Act, 1958 having Official Number 3393, being a sea going vessel of 178 net

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tonnage and a qualifying ship in accordance with the Tonnage Tax Scheme; and

“Tug Persistence” means the Tug registered under the Merchant Shipping Act, 1958 having Official Number 3326, being a sea going vessel of 147 net tonnage and a qualifying ship in accordance with the Tonnage Tax Scheme.

- 1.2 All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.
- 1.3 References to Clauses, Recitals and Schedules, unless otherwise provided, are to clauses, recitals and schedules of and to this Scheme.
- 1.4 The headings herein shall not affect the construction of this Scheme.
- 1.5 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 1.6 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 References to person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

- 1.8 The Schedules form an integral and inseparable part of this Scheme.

## 2. SHARE CAPITAL

### 2.1 ESPLL:

The share capital structure of ESPLL as on August 31, 2010 is as under:

Authorized Share Capital		Amount in Rs.
1,50,00,00,000 equity shares of Rs.10/- each		1500,00,00,000
10,50,000 redeemable cumulative preference of Rs.100/- each		10,50,00,000
Total		1510,50,00,000
Issued, Subscribed and Paid-up Share Capital		
61,56,83,320 equity shares of Rs.10/- each		615,68,33,200
2,44,648 forfeited shares		13,05,251
Total		615,81,38,451

ESPLL has outstanding ESPLL FCCBs, the conversion of which may result in

an increase in the issued and paid-up share capital of ESPLL. The equity shares of ESPLL are listed on the Stock Exchanges. The ESPLL FCCBs are listed on the Singapore Stock Exchange.

2.2 First Amalgamating Company:

The share capital structure of the First Amalgamating Company as on August 31, 2010 is as under (there being no limitation under Mauritian law on the authorised share capital of the First Amalgamating Company):

<b>Issued, Subscribed and Paid-up Share Capital</b>	
504,566,401 equity shares of USD 1 each	504,566,401
<b>Total</b>	<b>504,566,401</b>

The ordinary shares of the First Amalgamating Company are not listed on any stock exchange. The First Amalgamating Company is presently a wholly owned subsidiary of ESPLL. The entire share capital of the First Amalgamating Company will be cancelled in terms of Clause 9 of this Scheme.

2.3 Second Amalgamating Company:

The share capital structure of the Second Amalgamating Company as on August 31, 2010 is as under:

<b>Authorized Share Capital</b>		<b>Amount in USD</b>
125,840,000 equity shares of USD 1 each		125,840,000
<b>Total</b>		<b>125,840,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>		
125,840,000 equity shares of USD 1 each		125,840,000
<b>Total</b>		<b>125,840,000</b>

The equity shares of the Second Amalgamating Company are not listed on any stock exchange. The Second Amalgamating Company is presently a wholly owned subsidiary of ESPLL. The entire share capital of the Second Amalgamating Company will be cancelled in terms of Clause 31 of this Scheme.



2.4 Resulting Company:

The share capital structure of the Resulting Company as on August 31, 2010 is as under:

<b>Authorized Share Capital</b>	<b>Amount in Rs.</b>
50,000 equity shares of Rs.10/- each	5,00,000
<b>Total</b>	<b>5,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
50,000 equity shares of Rs.10/- each	5,00,000
<b>Total</b>	<b>5,00,000</b>

The equity shares of the Resulting Company are, at present, not listed on any stock exchange. The Resulting Company is presently a wholly owned subsidiary of ESPLL. After issue of shares by the Resulting Company in terms of Clause 58 of this Scheme, the Resulting Company would cease to be subsidiary of ESPLL and its shares will be listed on the Stock Exchanges.

**PART II – AMALGAMATION OF THE FIRST AMALGAMATING COMPANY WITH THE AMALGAMATED COMPANY**

**Section 1 – Transfer and Vesting**

**3. Transfer of Assets**



- (i) Upon the coming into effect of this Scheme and with effect from the Amalgamation Appointed Date and subject to the provisions of Part II of this Scheme, the First Amalgamating Company shall, pursuant to the provisions of Section 391 to 394 of the Act and Section 2(1B) of the Income Tax Act, 1961, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company as a going concern so as to become as and from the Amalgamation Appointed Date, the estate, assets, rights, title, interests and authorities of the Amalgamated Company.
- (ii) Without prejudice to sub-Clause (i) above, in respect of such of the assets of the First Amalgamating Company as are movable in nature or are otherwise capable of transfer by delivery or possession or by endorsement and delivery, the same shall stand so transferred upon the coming into effect of the Scheme, and shall become the property of the Amalgamated Company with effect from the Amalgamation Appointed Date pursuant to the provisions of Section 391 to 394 of the Act without requiring any deed or instrument of conveyance for transfer of the same.
- (iii) In respect of such of the assets of the First Amalgamating Company



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other than those referred to in sub-Clause (ii) above, the same shall, as more particularly provided in sub-Clause (i) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company upon the coming into effect of the Scheme and with effect from the Amalgamation Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.

- (iv) All assets, estate, rights, title, interest and authorities accrued to and/or acquired by the First Amalgamating Company after the Amalgamation Appointed Date and prior to the Effective Date shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon the coming into effect of the Scheme and with effect from the Amalgamation Appointed Date pursuant to the provisions of Section 391 to 394 of the Act, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company so as to become as and from the Amalgamation Appointed Date, the estate, assets, rights, title, interests and authorities of the Amalgamated Company.

4. Contracts, Deeds etc.

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



- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the First Amalgamating Undertaking occurs by virtue of this Scheme itself, the Amalgamated Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the First Amalgamating Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Amalgamated Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings on behalf of the First Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the First Amalgamating Company.

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5. Transfer of Liabilities

Upon the coming into effect of this Scheme and with effect from the Amalgamation Appointed Date:

- (i) All secured and unsecured debts (whether in rupees or foreign currency), all liabilities, duties and obligations and undertakings of the First Amalgamating Company of any nature whatsoever along with any charge, encumbrance, lien or security thereon (hereinafter the "**First Amalgamating Company Liabilities**") shall, pursuant to the provisions of Section 391 to 394 and Section 2(1B) of the Income Tax Act, 1961, without any further act, instrument or deed, shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in, the Amalgamated Company, so as to become the liabilities of the Amalgamated Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangements which may give rise to a contingent liability in whatever form), if any, due or which may at any time in the future become due between the First Amalgamating Company and the Amalgamated Company shall stand discharged and there shall be no liability in that behalf on either party.
- (iii) All debentures, bonds, notes or other debt securities of the First Amalgamating Company, shall, pursuant to the provisions of Section 391 to 394 of the Act and Section 2(1B) of the Income Tax Act, 1961, without any further act, instrument or deed become securities of the Amalgamated Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or deemed to have been transferred to and vested in and shall be exercised by or against the Amalgamated Company as if it were the First Amalgamating Company in respect of the debentures, bonds, notes or other debt securities so transferred.
- (iv) It is clarified that unless otherwise determined by the Board of Directors of the Amalgamated Company, in so far as the borrowings/debts and assets comprising the First Amalgamating Company are concerned:
  - (a) the security or charge relating to loans, debentures or borrowings of the First Amalgamating Company shall, without any further act or deed continue to relate to the said assets after the Effective Date; and
  - (b) the assets of the Amalgamated Company shall not relate to or



be available as security in relation to the said borrowings of the First Amalgamating Company.

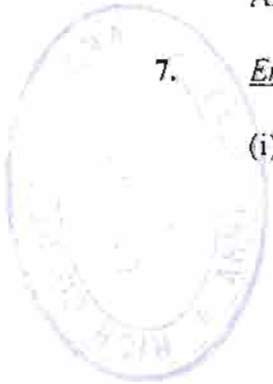
- (v) Where any of the First Amalgamating Company Liabilities as on the Amalgamation Appointed Date have been discharged by the First Amalgamating Company on or after the Amalgamation Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Amalgamated Company.
- (vi) All loans raised and used and all debts, liabilities, duties and obligations incurred or undertaken by the First Amalgamating Company on or after the Amalgamation Appointed Date and prior to the Effective Date, subject to the terms of this Scheme, shall be deemed to have been raised, used, undertaken or incurred for and on behalf of the Amalgamated Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, without any further act or deed, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company and shall become the loans, debts, liabilities, duties and obligations of the Amalgamated Company.

6. Legal, Taxation and other Proceedings

Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the First Amalgamating Company under any statute, whether pending on the Amalgamation Appointed Date or which may be instituted any time thereafter shall be continued and enforced by or against the Amalgamated Company, with effect from the Effective Date.

7. Employees

- (i) Upon the coming into effect of this Scheme, all employees of the First Amalgamating Company as on the Effective Date shall become the employees of the Amalgamated Company on terms and conditions not less favourable than those on which they are engaged by the First Amalgamating Company and without any interruption of or break in service as a result of the amalgamation of the First Amalgamating Company with the Amalgamated Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the First Amalgamating Company and such benefits to which the employees are entitled in the First Amalgamating Company shall also be taken into account, and paid (as and when payable) by the Amalgamated Company.
- (ii) It is clarified that save as expressly provided for in this Scheme, the employees of the First Amalgamating Company who become the employees of the Amalgamated Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits existing as on the Effective Date that may be applicable and available to any of the other





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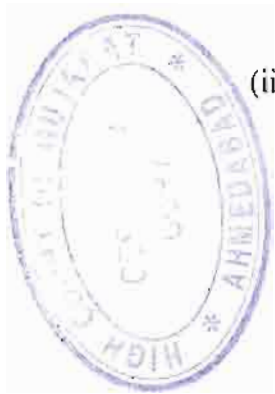
employees of the Amalgamated Company, unless otherwise determined by the Amalgamated Company.

- (iii) The Boards of Directors of each of the First Amalgamating Company and the Amalgamated Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause.

## **Section 2 – Conduct of Business**

- 8. With effect from the Amalgamation Appointed Date up to and including the Effective Date:

- (i) the First Amalgamating Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the entire undertaking and all the assets and liabilities of the First Amalgamating Company on account of, and in trust for, the Amalgamated Company;
- (ii) all profits and income accruing or arising to the First Amalgamating Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Amalgamated Company; and
- (iii) any of the rights, powers, authorities, privileges exercised by the First Amalgamating Company shall be deemed to have been exercised by the First Amalgamating Company for and on behalf of, and in trust for and as an agent of the Amalgamated Company. Similarly, any obligations, duties and commitments that have been undertaken or discharged by the First Amalgamating Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Amalgamated Company.



## **Section 3 – Cancellation of Shares**

- 9. (i) Since the Amalgamated Company holds 100% of the issued, subscribed and paid-up capital of the First Amalgamating Company, the entire share capital held by the Amalgamated Company in the First Amalgamating Company shall stand cancelled upon the Scheme becoming effective.
- (ii) The First Amalgamating Company shall be removed from the register of the Registrar of Companies in Mauritius on the effectiveness of this Scheme.

## **Section 4 – Compliance with the provisions under Mauritius laws**

- 10. The First Amalgamating Company is incorporated under the Mauritius



Companies Act and presently holds a Category 1 Global Business Licence issued by the Financial Services Commission under the laws of Mauritius.

11. In terms of Mauritius law, a company holding a Category 2 Global Business Licence can merge with one or more companies incorporated under the laws of a jurisdiction other than that of Mauritius where the merger is permitted by the laws of such jurisdiction. In order to fulfil this requirement and thereby facilitate the amalgamation of the First Amalgamating Company with the Amalgamated Company, the First Amalgamating Company is in the process of conversion of its Licence to a Category 2 Global Business Licence and the shareholders of the First Amalgamating Company have passed a resolution in this regard on August 26, 2010.
12. The Board of Directors of the First Amalgamating Company has, subject to the conversion of the license of the First Amalgamating Company to a Category 2 Global Business Licence, passed a resolution dated August 12, 2010 approving the Scheme and the Amalgamated Company, in its capacity as the sole shareholder of the First Amalgamating Company, passed shareholder resolutions of the First Amalgamating Company dated August 12, 2010 approving and ratifying the said board resolution.
13. In terms of paragraph 4(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, the Amalgamated Company, being incorporated under the laws of a jurisdiction other than that of Mauritius, must submit the following to the Registrar of Companies of Mauritius:



- (i) An agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of a constituent company (being the First Amalgamating Company) incorporated under the Mauritius Companies Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Companies Act against the surviving company (being the Amalgamated Company) or the consolidated company;
- (ii) An irrevocable appointment of the Registrar of Companies of Mauritius as its agent to accept service of process in proceedings referred to in sub-Clause (i) above;
- (iii) An agreement that they shall promptly pay to the dissenting members, if any, of a constituent company incorporated under the Mauritius Companies Act, the amount, if any, to which they are entitled under the Mauritius Companies Act, with respect to the rights of dissenting members. There is no dissenting member since the Scheme has been approved by the sole shareholder of the First Amalgamating Company and therefore this provision does not apply; and
- (iv) A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (being the High Court) where it is incorporated.

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Based on the above and given that there is no dissenting member of any constituent company incorporated under the Mauritius Companies Act, the Amalgamated Company will confirm in writing to the Registrar of Companies of Mauritius that (a) there is no such dissenting member and (b) the Registrar of Companies of Mauritius is irrevocably appointed on behalf of the Amalgamated Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of the First Amalgamating Company.

14. In terms of paragraph 4(4) of the Fourteenth Schedule to the Mauritius Companies Act, since the surviving company is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction, i.e., the laws of India.
15. Therefore the First Amalgamating Company entering into an agreement and irrevocably appointing the Registrar of Companies of Mauritius as its agent to accept service of process in proceedings and the passing of the Order by the High Court sanctioning the Scheme shall be sufficient for the Registrar of Companies of Mauritius to take cognizance of the merger and thereupon the Registrar of Companies of Mauritius shall strike off the name of the First Amalgamating Company from the register maintained by the Registrar of Companies of Mauritius without the need for winding up.

#### **Section 5 – Accounting treatment**

16. The Amalgamated Company shall account the amalgamation of the First Amalgamating Company as per the pooling of interest method as set out in Accounting Standard 14 (AS 14) referred to in Section 211(3C) of the Act.
17. The Amalgamated Company shall, upon the Scheme coming into effect, record all the assets and liabilities of the First Amalgamating Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the First Amalgamating Company at the Amalgamation Appointed Date.
18. Retained earnings in the books of the First Amalgamating Company shall be recorded in the books of the Amalgamated Company in the same form as it appears in the books of the First Amalgamating Company.
19. As on the Amalgamation Appointed Date, pursuant to the amalgamation of the Amalgamating Companies with the Amalgamated Company, the inter company balances appearing in the books of the Amalgamating Companies shall stand cancelled.
20. The excess or deficit, if any, of the value of the assets over the value of the liabilities and the retained earnings of the First Amalgamating Company, as recorded above under Clause 17 and Clause 18 pursuant to this Scheme after taking into consideration:
  - (i) the cancellation of the value of investments in the First Amalgamating



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Company appearing in the books of the Amalgamated Company; and

- (ii) the cancellation of inter-company balances between the Amalgamated Company and Amalgamating Companies;

shall be recorded as and credited to the Capital Reserve or debited to Goodwill as the case may be, in the books of the Amalgamated Company.

#### **Section 6 – General terms and conditions**

- 21. All taxes and duties (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the First Amalgamating Company in respect of the operations and/or the profits of the First Amalgamating Company before the Amalgamation Appointed Date, including any refund and claims shall be on account of the First Amalgamating Company and, insofar as payment of taxes and duties (including, without limitation, income tax, sales tax, excise duty, custom duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the First Amalgamating Company in respect of the profits or activities or operation of the First Amalgamating Company after the Amalgamation Appointed Date, including any refund and claims are concerned, the same shall be deemed to be the corresponding item paid/receivable by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.

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

- 23. The Amalgamated Company shall:

- (i) make necessary applications before the concerned authority in Mauritius for implementation and sanction of this Scheme; and
- (ii) make necessary applications for the striking off the First Amalgamating Company from the register of the Registrar of Companies of Mauritius.

- 24. The First Amalgamating Company shall:

- (i) initiate and pursue all actions necessary under the laws of Mauritius, including filing of the order of the High Court with the Registrar of Companies of Mauritius, to enable the Registrar to strike off its name from the register; and
- (ii) take all necessary steps for sanctioning of this Scheme and for its dissolution without winding up.





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## PART III – AMALGAMATION OF THE SECOND AMALGAMATING COMPANY WITH THE AMALGAMATED COMPANY

### Section 1 – Transfer and Vesting

#### 25. Transfer of Assets

- (i) Upon the coming into effect of this Scheme and with effect from the Amalgamation Appointed Date and subject to the provisions of Part III of this Scheme, the Second Amalgamating Company shall, pursuant to the provisions of Section 391 to 394 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, 1961, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company as a going concern so as to become as and from the Amalgamation Appointed Date, the estate, assets, rights, title, interests and authorities of the Amalgamated Company.
- (ii) Without prejudice to sub-Clause (i) above, in respect of such of the assets of the Second Amalgamating Company as are movable in nature or are otherwise capable of transfer by delivery or possession or by endorsement and delivery, the same shall stand so transferred upon the coming into effect of the Scheme, and shall become the property of the Amalgamated Company with effect from the Amalgamation Appointed Date pursuant to the provisions of Section 391 to 394 of the Act without requiring any deed or instrument of conveyance for transfer of the same.
- (iii) In respect of such of the assets of the Second Amalgamating Company other than those referred to in sub-Clause (ii) above, the same shall, as more particularly provided in sub-Clause (i) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company upon the coming into effect of the Scheme and with effect from the Amalgamation Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.
- (iv) All assets, estate, rights, title, interest and authorities accrued to and/or acquired by the Second Amalgamating Company after the Amalgamation Appointed Date and prior to the Effective Date shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon the coming into effect of the Scheme and with effect from the Amalgamation Appointed Date pursuant to the provisions of Section 391 to 394 of the Act, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company so as to become as and from the Amalgamation Appointed Date, the estate, assets, rights, title, interests and authorities of the Amalgamated Company.



26. Contracts, Deeds etc.

- (i) Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature to which the Second Amalgamating Company is a party or to the benefit of which the Second Amalgamating Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue to be in full force and effect on or against or in favour, as the case may be, of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Second Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto or thereunder.
- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Second Amalgamating Undertaking occurs by virtue of this Scheme itself, the Amalgamated Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Second Amalgamating Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Amalgamated Company shall, under the provisions of Part III of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Second Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Second Amalgamating Company.

27. Transfer of Liabilities

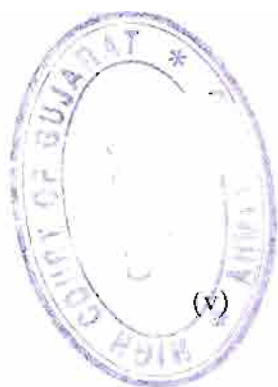
Upon the coming into effect of this Scheme and with effect from the Amalgamation Appointed Date:

- (i) All secured and unsecured debts (whether in rupees or foreign currency), all liabilities, duties and obligations and undertakings of the Second Amalgamating Company of any nature whatsoever along with any charge, encumbrance, lien or security thereon (hereinafter the "**Second Amalgamating Company Liabilities**") shall, pursuant to the provisions of Section 391 to 394 and Section 2(1B) of the Income Tax Act, 1961, without any further act, instrument or deed, shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in, the Amalgamated Company, so as to become the liabilities of the Amalgamated Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause.

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- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangements which may give rise to a contingent liability in whatever form), if any, due or which may at any time in the future become due between the Second Amalgamating Company and the Amalgamated Company shall stand discharged and there shall be no liability in that behalf on either party.
- (iii) All debentures, bonds, notes or other debt securities of the Second Amalgamating Company, shall, pursuant to the provisions of Section 391 to 394 of the Act and Section 2(1B) of the Income Tax Act, 1961, without any further act, instrument or deed become securities of the Amalgamated Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or deemed to have been transferred to and vested in and shall be exercised by or against the Amalgamated Company as if it were the Second Amalgamating Company in respect of the debentures, bonds, notes or other debt securities so transferred.
- (iv) It is clarified that unless otherwise determined by the Board of Directors of the Amalgamated Company, in so far as the borrowings/debts and assets comprising the Second Amalgamating Company are concerned:
  - (a) the security or charge relating to loans, debentures or borrowings of the Second Amalgamating Company shall, without any further act or deed, continue to relate to the said assets after the Effective Date; and
  - (b) the assets of the Amalgamated Company shall not relate to or be available as security in relation to the said borrowings of the Second Amalgamating Company.
- (v) Where any of the Second Amalgamating Company Liabilities as on the Amalgamation Appointed Date have been discharged by the Second Amalgamating Company on or after the Amalgamation Appointed Date and prior to the Effective Date such discharge shall be deemed to have been for and on account of the Amalgamated Company.
- (vi) All loans raised and used and all debts, liabilities, duties and obligations incurred or undertaken by the Second Amalgamating Company on or after the Amalgamation Appointed Date and prior to the Effective Date, subject to the terms of this Scheme, shall be deemed to have been raised, used, undertaken or incurred for and on behalf of the Amalgamated Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, without any further act or deed, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company and shall become the loans, debts,



liabilities, duties and obligations of the Amalgamated Company.

28. Legal, Taxation and other Proceedings

Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Second Amalgamating Company under any statute, whether pending on the Amalgamation Appointed Date or which may be instituted any time thereafter shall be continued and enforced by or against the Amalgamated Company, with effect from the Effective Date.

29. Employees

(i) Upon the coming into effect of this Scheme, all employees of the Second Amalgamating Company as on the Effective Date shall become the employees of the Amalgamated Company on terms and conditions not less favourable than those on which they are engaged by the Second Amalgamating Company and without any interruption of or break in service as a result of the amalgamation of the Second Amalgamating Company with the Amalgamated Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Second Amalgamating Company and such benefits to which the employees are entitled in the Second Amalgamating Company shall also be taken into account, and paid (as and when payable) by the Amalgamated Company.



(ii) It is clarified that save as expressly provided for in this Scheme, the employees of the Second Amalgamating Company who become the employees of the Amalgamated Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits existing as on the Effective Date that may be applicable and available to any of the other employees of the Amalgamated Company, unless otherwise determined by the Amalgamated Company.

(iii) The Boards of Directors of each of the Second Amalgamating Company and the Amalgamated Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause.

**Section 2 – Conduct of Business**

30. With effect from the Amalgamation Appointed Date up to and including the Effective Date:

(i) the Second Amalgamating Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the entire undertaking and all the assets and liabilities of the Second Amalgamating Company on account of, and in trust for, the



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Amalgamated Company;

- (ii) all profits and income accruing or arising to the Second Amalgamating Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Amalgamated Company; and
- (iii) any of the rights, powers, authorities, privileges exercised by the Second Amalgamating Company shall be deemed to have been exercised by the Second Amalgamating Company for and on behalf of, and in trust for and as an agent of the Amalgamated Company. Similarly, any obligations, duties and commitments that have been undertaken or discharged by the Second Amalgamating Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Amalgamated Company.

### **Section 3 – Cancellation of Shares**

- 31. (i) Since the Amalgamated Company holds 100% of the issued, subscribed and paid-up capital of the Second Amalgamating Company, the entire share capital held by the Amalgamated Company in the Second Amalgamating Company shall stand cancelled upon the Scheme becoming effective.
- (ii) The Second Amalgamating Company shall be removed from the register of the Registrar of Companies in Mauritius on the effectiveness of this Scheme.

### **Section 4 – Compliance with the provisions under Mauritian laws**

- 32. The Second Amalgamating Company is presently incorporated under the laws of Guernsey. In order to facilitate the amalgamation of the Second Amalgamating Company with the Amalgamated Company, the Second Amalgamating Company has initiated the process to transfer to, and to be registered and continue as a Category 2 Global Business Licence Company in, Mauritius and the board of directors of the Second Amalgamating Company have passed a resolution to this effect on August 17, 2010.
- 33. In terms of Mauritius law, a company holding a Category 2 Global Business Licence can merge with one or more companies incorporated under the laws of a jurisdiction other than that of Mauritius, where the merger is permitted by the laws of such jurisdiction.
- 34. The Board of Directors of the Second Amalgamating Company has, subject to the transfer of the Second Amalgamating Company from Guernsey to Mauritius and the issuance of a Category 2 Global Business Licence to the Second Amalgamating Company by the Financial Services Commission of Mauritius, passed a resolution dated August 12, 2010 approving the Scheme and the Amalgamated Company has, in its capacity as the sole shareholder of the



Second Amalgamating Company, passed shareholder resolutions of the Second Amalgamated Company dated August 12, 2010 approving and ratifying the said board resolution.

35. In terms of paragraph 4(2)(b) of Part II of the Fourteenth Schedule to the Mauritius Companies Act, the Amalgamated Company, being incorporated under the laws of a jurisdiction other than that of Mauritius, must submit the following to the Registrar of Companies of Mauritius:

- (i) An agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation of a constituent company (being the Second Amalgamating Company) incorporated under the Mauritius Companies Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Companies Act against the surviving company (being the Amalgamated Company) or the consolidated company;
- (ii) An irrevocable appointment of the Registrar of Companies of Mauritius as its agent to accept service of process in proceedings referred to in sub-Clause (i) above;
- (iii) An agreement that they shall promptly pay to the dissenting members, if any, of a constituent company incorporated under the Mauritius Companies Act, the amount, if any, to which they are entitled under the Mauritius Companies Act, with respect to the rights of dissenting members. There is no dissenting member since the Scheme has been approved by the sole shareholder of the Second Amalgamating Company and therefore this provision does not apply; and
- (iv) A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (being the High Court) where it is incorporated.



Based on the above and given that there is no dissenting member of any constituent company incorporated under the Mauritius Companies Act, the Amalgamated Company will confirm in writing to the Registrar of Companies of Mauritius that (a) there is no such dissenting member and (b) the Registrar of Companies of Mauritius is irrevocably appointed on behalf of the Amalgamated Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of the Second Amalgamating Company.

36. In terms of paragraph 4(4) of the Fourteenth Schedule to the Mauritius Companies Act, since the surviving company is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction, i.e., the laws of India.

37. Therefore the Second Amalgamating Company entering into an agreement and irrevocably appointing the Registrar of Companies of Mauritius as its agent to

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accept service of process in proceedings and the passing of the Order by the High Court sanctioning the Scheme shall be sufficient for the Registrar of Companies of Mauritius to take cognizance of the merger and thereupon the Registrar of Companies of Mauritius shall strike off the name of the Second Amalgamating Company from the register maintained by the Registrar of Companies of Mauritius without the need for winding up.

#### **Section 5 – Accounting treatment**

38. The Amalgamated Company shall account the amalgamation of the Second Amalgamating Company as per the pooling of interest method as set out in Accounting Standard 14 (AS 14) referred to in Section 211(3C) of the Act.
39. The Amalgamated Company shall, upon the Scheme coming into effect, record all the assets and liabilities of the Second Amalgamating Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Second Amalgamating Company at the Amalgamation Appointed Date.
40. Retained earnings in the books of the Second Amalgamating Company shall be recorded in the books of Amalgamated Company in the same form as it appears in the books of the Second Amalgamating Company.
41. As on the Amalgamation Appointed Date, pursuant to the amalgamation of the Amalgamating Companies with the Amalgamated Company, the inter company balances appearing in the books of the Amalgamating Companies shall stand cancelled.
42. The excess or deficit, if any, of the value of the assets over the value of the liabilities and the retained earnings of the Second Amalgamating Company, as recorded above under Clause 39 and Clause 40 pursuant to this Scheme after taking into consideration:
  - (i) the cancellation of the value of investments in the Second Amalgamating Company appearing in the books of the Amalgamated Company; and
  - (ii) the cancellation of inter-company balances between the Amalgamated Company and Amalgamating Companies;shall be recorded as and credited to the Capital Reserve or debited to Goodwill as the case may be, in the books of the Amalgamated Company.

#### **Section 6 – General terms and conditions**

43. All taxes and duties (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Second Amalgamating Company in respect of the operations and/or the profits of the Second Amalgamating Company before the Amalgamation Appointed Date, including any refund and claims shall be on account of the Second Amalgamating Company and, insofar as payments of taxes and duties

(including, without limitation, income tax, sales tax, excise duty, custom duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Second Amalgamating Company in respect of the profits or activities or operation of the Second Amalgamating Company after the Amalgamation Appointed Date, including any refund and claims are concerned, the same shall be deemed to be the corresponding item paid/receivable by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.

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

45. The Amalgamated Company shall:

- (i) make necessary applications before the concerned authority in Mauritius for implementation and sanction of this Scheme; and
- (ii) make necessary applications for the striking off the Second Amalgamating Company from the register of the Registrar of Companies of Mauritius.

46. The Second Amalgamating Company shall:

- (i) initiate and pursue all actions necessary under the laws of Mauritius, including filing of the order of the High Court with the Registrar of Companies of Mauritius, to enable the Registrar to strike off its name from the register; and
- (ii) take all necessary steps for sanctioning of this Scheme and for its dissolution without winding up.



#### PART IV – DEMERGER

Upon the occurrence of the Amalgamations pursuant to Parts II and III, ESPLL shall be referred to as the “Demerged Company” for the purposes of this Part IV.

##### Section 1- Transfer and Vesting of the Demerged Undertakings

47. Transfer of Assets

- (i) Upon the coming into effect of the Scheme and with effect from the Demerger Appointed Date, the Demerged Undertakings (including all the estate, assets, investments, rights, claims, title, interest and authorities, including accretions and appurtenances of the Demerged Undertakings) shall, subject to the provisions of this Clause in relation



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to the mode of transfer and vesting and pursuant to the provisions of Sections 391 to 394 of the Act and Section 2(19AA) of the Income Tax Act, 1961, without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in and shall be deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company as a going concern so as to become as and from the Demerger Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Resulting Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

- (ii) In respect of such of the assets of the Demerged Undertakings as are movable in nature or are otherwise capable of transfer by delivery or possession or by endorsement and delivery, the same shall stand so transferred by the Demerged Company upon the coming into effect of the Scheme, and shall become the property of the Resulting Company as an integral part of the Demerged Undertakings with effect from the Demerger Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act and Section 2(19AA) of the Income Tax Act, 1961, without requiring any deed or instrument of conveyance for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

- (iii) In respect of such of the assets belonging to the Demerged Undertakings other than those referred to in sub-Clause (ii) above, the same shall, as more particularly provided in sub-Clause (i) above, without any further act, instrument or deed, be demerged from the Demerged Company and be transferred to and vested in and/or be deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company upon the coming into effect of the Scheme and with effect from the Demerger Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act and Section 2(19AA) of the Income Tax Act, 1961



- (iv) All assets, rights, title, interest and investments of the Demerged Company in relation to the Demerged Undertakings shall also, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of the Scheme and with effect from the Demerger Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act and Section 2(19AA) of the Income Tax Act, 1961.

- (v) In accordance with Section 115VZ of Chapter XII-G of the Income Tax Act, 1961, pursuant to the transfer of the First Demerged Undertaking in terms of and pursuant to this Scheme, the Tonnage Tax Scheme shall apply to the Resulting Company for the unexpired period if it is a qualifying company. In addition to the 22 shipping vessels described in **Schedule I** being transferred as part of the First Demerged Undertaking to the Resulting Company pursuant to this Scheme, the Resulting Company is in the process of acquiring a qualifying ship.

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48. Contracts, Deeds etc.

- (i) Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Demerged Undertakings, to which the Demerged Company is a party or to the benefit of which the Demerged Company is eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder.
- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Demerged Undertakings occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Demerged Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances to be carried out or performed on the part of the Demerged Company.
- (iii) Without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of the Scheme, all consents, permissions, licences, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertakings shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company.
- (iv) Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertakings which the Demerged Company owns or to which the Demerged Company is a party, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in



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trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.

49. Transfer of Liabilities

- (i) Upon the coming into effect of the Scheme, all loans raised and used, debts, liabilities, duties and obligations (including such loans, debts, liabilities and obligations which arise out of the activities or operations of the Demerged Undertakings and general and multipurpose borrowings) of the Demerged Company (whether in Indian rupees or foreign currency) as on the Demerger Appointed Date and relatable to the Demerged Undertakings in accordance with Section 2(19AA) of the Income Tax Act, 1961, shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and shall become the loans, debts, liabilities, duties and obligations of the Resulting Company. Debentures and loans relatable to the Demerged Undertakings as of October 1, 2010 have been set out in **Schedule III**.
- (ii) Where any of the loans raised and used, debts, liabilities, duties and obligations of the Demerged Company as on the Demerger Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company on or after the Demerger Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.
- (iii) Upon the coming into effect of the Scheme, all loans raised and used and all debts, liabilities, duties and obligations incurred by the Demerged Company for the operations of the Demerged Undertakings with effect from the Demerger Appointed Date and prior to the Effective Date, subject to the terms of this Scheme, shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company and shall become the loans, debts, liabilities, duties and obligations of the Resulting Company.
- (iv) Upon the coming into effect of the Scheme and without prejudice to the aforesaid, all debt securities, bonds, debentures, notes and other instruments of like nature (whether convertible into equity shares or not) issued by the Demerged Company in relation to the Demerged Undertakings, or relatable to the Demerged Company in accordance with Section 2(19AA) of the Income Tax Act, 1961, including without limitation the NCDs ("**Debt Securities**") shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, become the debt securities of the Resulting Company on the same terms and conditions, except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and





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stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Resulting Company as if it was the issuer of the Debt Securities so transferred.

- (v) Subject to the requirements, if any, imposed or concessions, if any, granted by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, the NCDs which stand transferred to the Resulting Company shall be listed and/or admitted to trading on the Wholesale Debt Market segment of National Stock Exchange of India Limited, where the NCDs are currently listed and/or admitted to trading.
- (vi) With respect to the ESPLL FCCBs issued by the Demerged Company outstanding as of the Record Date, upon effectiveness of the Scheme:
  - (a) without any further application or deed, the face value of each ESPLL FCCB would stand proportionately reduced to the extent of the ESPLL FCCBs relatable to the Demerged Undertakings in accordance with Section 2(19AA) of the Income Tax Act, 1961 as on the Demerger Appointed Date and transferred to the Resulting Company in terms of this Scheme, and the holder thereof would be entitled, upon conversion of an ESPLL FCCB (as reduced in terms hereof), to equity shares of the Demerged Company of the face value of Rs.10/- each at a conversion price of Rs.91.70/- per share in accordance with the terms of the Bond Agreement (subject to adjustments, if any, in accordance with the terms of the Bond Agreement) (the "**Demerged Company Bond**");
  - (b) the Resulting Company shall, without any further application or deed, issue and allot to each of the ESPLL FCCB holders whose names appear in the register of ESPLL FCCB holders of the Demerged Company on the Record Date, such number of FCCBs in the Resulting Company (the "**Resulting Company Bonds**") which are equivalent to the number of ESPLL FCCBs which are outstanding and have not been converted or redeemed as on the Record Date, of face value which would proportionately reflect the ESPLL FCCBs relatable to the Demerged Undertakings in accordance with Section 2(19AA) of the Income Tax Act, 1961 as on the Demerger Appointed Date and transferred to the Resulting Company in terms of this Scheme, on the same terms and conditions as applicable on the original ESPLL FCCB of the Demerged Company (as may be more particularly stated in the supplemental agreement to be entered into by the Demerged Company and the Resulting Company in terms of the Bond Agreement) and being convertible at the option of the holders of the Resulting Company Bonds into equity shares of the Resulting Company of the face value of Rs.10/- each at a conversion price of Rs.91.70/- per share (subject to adjustments, if any, in



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accordance with the terms of the Bond Agreement and/or any supplemental agreement).

Provided that, notwithstanding the above, no holder of the ESPLL FCCBs shall be entitled to convert any ESPLL FCCBs into equity shares of the Demerged Company such that the equity shares of the Demerged Company on such conversion are allotted during the period between the Effective Date and the Record Date (both days inclusive). It is clarified that, subject to the above proviso, the holder of an ESPLL FCCB shall be entitled to convert an ESPLL FCCB while, in his discretion, opting to convert or redeem a Resulting Company Bond, and vice versa.

The approval of the Scheme by the shareholders of the Resulting Company and the sanction of the Scheme by the High Court, shall be deemed to be due compliance with all the provisions of the Act for the issue and allotment of shares by the Resulting Company to the holders of the Resulting Company Bonds as provided in the Scheme.

- (vii) The Demerged Company and Resulting Company shall apply for requisite regulatory approvals (including the approval of the RBI) for the aforesaid treatment of the ESPLL FCCBs and issuance of Resulting Company Bonds, and, notwithstanding the provisions of sub-Clause (vi) above, the treatment of the ESPLL FCCBs and issuance of Resulting Company Bonds shall be subject to and made in compliance with the terms and conditions as may be prescribed by the relevant regulator.



- (viii) The Demerged Company and the Resulting Company shall enter into such other agreements or arrangements and take such further actions as may be deemed necessary or appropriate by them, including, but not limited to, disseminating certain notices and intimations (including to relevant stock exchanges), press releases, certifications, and information containing details of the Scheme and/or other information relating to the Demerged Company, the Resulting Company, the ESPLL FCCBs, the Demerged Company Bonds and the Resulting Company Bonds
- (ix) Subject to the requirements, if any, imposed or concessions, if any, granted by Singapore Exchange Limited, and other terms and conditions agreed with Singapore Exchange Limited, the Resulting Company Bonds issued by the Resulting Company in terms hereof, shall be listed and/or admitted to trading on the Singapore Exchange Limited, where the FCCBs are currently listed and/or admitted to trading.
- (x) In so far as the existing Encumbrance in respect of the loans, borrowings, debts, liabilities, including the Debt Securities pertaining to the Demerged Undertaking ("**Transferred Liabilities**") is concerned, such Encumbrance shall, upon effectiveness of the Scheme, without any further act, instrument or deed be modified and shall be

extended to and shall operate only over the assets comprised in the Demerged Undertakings which have been Encumbered in respect of the Transferred Liabilities as transferred to the Resulting Company pursuant to this Scheme except for the Encumbrances on Tug Persistence and Tug Perseverance existing as of the Appointed Date in respect of the NCDs which shall continue unaffected without further act or deed. Provided that if any of the assets comprised in the Demerged Undertakings which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Transferred Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.

- (xi) Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of the Scheme, the Demerged Company and the Resulting Company shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge with the Registrar of Companies to give formal effect to the above provisions, if required.
- (xii) Save as expressly provided in this Scheme, upon the coming into effect of this Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities, which have been transferred to it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such Transferred Liabilities.
- (xiii) It is expressly provided that, save as mentioned in this Clause, no other term or condition of the liabilities transferred to the Resulting Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (xiv) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

50. Employees

- (i) Upon the coming into effect of this Scheme, all Employees in relation to the Demerged Undertakings shall become the employees of the Resulting Company with effect from the Demerger Appointed Date, and, subject to the provisions hereof, on terms and conditions not less favourable than those on which they are engaged by the Demerged Company and without any interruption of or break in service as a result

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of the transfer of the Demerged Undertakings. For the purpose of payment of any compensation, gratuity and other terminal benefits, the immediate past services of such Employees with the Demerged Company shall also be taken into account, and paid (as and when payable by the Resulting Company).

- (ii) Insofar as the existing provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company, inter alia, for the Employees are concerned (collectively referred to as the "**Funds**"), the funds and such investments made by the Funds which are referable to the Employees in terms of sub-Clause (i) above shall be transferred to the Resulting Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. In the event that the Resulting Company does not have its own Funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Demerged Company, until such time that the Resulting Company creates its own funds, at which time the funds and the investments and contributions pertaining to the Employees shall be transferred to the funds created by the Resulting Company.
- (iii) In relation to those Employees who are not covered under the provident fund trust of the Demerged Company, and for whom the Demerged Company is making contributions to the government provident fund, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees.
- (iv) In relation to any other fund created or existing for the benefit of the Employees being transferred to the Resulting Company, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such Employees.
- (v) In so far as the existing benefits or funds created by the Demerged Company for the employees of the Remaining Business are concerned, the same shall continue and the Demerged Company shall continue to contribute to such funds and trusts in accordance with the provisions thereof, and such funds and trusts, if any, shall be held inter alia for the benefit of the employees of the Remaining Business.

#### 51. Legal, Taxation and other Proceedings

- (i) Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Demerger Appointed Date or which may be





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instituted any time thereafter and in each case relating to the Demerged Undertakings (other than corporate level direct taxation proceedings which shall continue with the Demerged Company) shall be continued and enforced by or against the Resulting Company with effect from the Effective Date. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings against the Resulting Company. The Resulting Company shall be replaced/ added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in co-operation with the Demerged Company.

- (ii) If any proceedings are taken against the Demerged Company in respect of the matters referred to in sub-Clause (i) above, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- (iii) The Resulting Company undertakes to have all legal, taxation or other proceedings initiated by or against the Demerged Company referred to in sub-Clause (i) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. Both companies shall make relevant applications in that behalf.

## **Section 2 - Conduct of Business**

52. With effect from the Demerger Appointed Date and up to and including the Effective Date:

- (i) the Demerged Company shall be carrying on and be deemed to have been carrying on all business and activities relating to the Demerged Undertakings and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Demerged Undertakings for and on account of, and in trust for, the Resulting Company;
- (ii) all profits and income accruing or arising to the Demerged Company from the Demerged Undertakings, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Demerged Undertakings for the period commencing from the Demerger Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Resulting Company; and
- (iii) any of the rights, powers, authorities, privileges, attached, related or pertaining to the Demerged Undertakings exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for and as an agent of the



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Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Demerged Undertakings that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Resulting Company.

### Section 3 - Remaining Business

53. 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 the Demerged Company, subject only to provisions of this Scheme in relation to Encumbrances in favour of banks, financial institutions and trustees for the debenture-holders and lenders.

54. (i) All legal, taxation or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Demerger Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings against the Demerged Company, which relates to the Remaining Business.

(ii) If proceedings are taken against the Resulting Company in respect of the matters referred to in sub-Clause (i) above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.

(iii) For the avoidance of doubt, it is clarified that the benefits of the Tonnage Tax Scheme shall remain in force for the unexpired period of the Tonnage Tax Scheme in the hands of the Demerged Company, till the time it continues to remain a qualifying company for the purposes of the Tonnage Tax Scheme.

55. With effect from the Demerger Appointed Date and up to and including the Effective Date:

(i) the Demerged Company shall carry on and be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;

(ii) all profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company;





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- (iii) all assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after the Demerger Appointed Date shall belong to and continue to remain vested in the Demerged Company; and
- (iv) all assets acquired and all liabilities incurred by the Demerged Company after the Demerger Appointed Date but prior to the Effective Date for operation of and in relation to the Demerged Undertakings shall also without any further act, instrument or deed stand transferred to and vested in or to be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of the Scheme, subject to the provisions of this Scheme in relation to Encumbrances in favour of lenders, banks and/or financial institutions and trustees for the debenture-holders.

#### **Section 4 – Reorganisation of Capital**

##### **Issuance of Shares by the Resulting Company**

- 56. The provisions of this Section 4 of this Scheme shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.
- 57. In consideration of the transfer and vesting of the Demerged Undertakings in the Resulting Company in accordance with the provisions of this Scheme and as an integral part of this Scheme, the share capital of the Resulting Company shall be restructured and reorganised in the manner set out in Clause 58 below.
- 58. (i) Upon the effectiveness of the Scheme, in consideration of the Demerger, including the transfer and vesting of the Demerged Undertakings in the Resulting Company pursuant to this Scheme, the Resulting Company shall, without any further act or deed, issue and allot to each member of the Demerged Company whose name is recorded in the register of members and records of the depository as members of the Demerged Company on the Record Date, equity shares in the Resulting Company in the ratio of 1 equity share in the Resulting Company of the face value of Rs.10/- each credited as fully paid-up for every 3 equity shares of Rs.10/- each fully paid-up held by such member in the Demerged Company. For the avoidance of doubt it is clarified that no shares shall be issued by the Resulting Company in respect of the forfeited shares of the Demerged Company.
- (ii) The shares issued to the members of the Demerged Company by the Resulting Company pursuant to sub-Clause (i) above shall be issued in dematerialized form by the Resulting Company, unless otherwise notified in writing by the shareholders of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Directors of the Demerged Company. In the event that such notice has not been received by the Resulting Company in respect



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of any of the members of the Demerged Company, the shares shall be issued to such members in dematerialised form provided that the members of the Demerged Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that the Resulting Company shall issue and directly credit the dematerialised securities to the account of such member. In the event that the Resulting Company has received notice from any member that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her /its account with a depository participant or other confirmations as may be required, then the Resulting Company shall issue shares in physical form to such member.

- (iii) Equity shares to be issued by the Resulting Company pursuant to sub-Clause (i) above in respect of such of the equity shares of the Demerged Company which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, also be kept in abeyance by the Resulting Company.
- (iv) In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Resulting Company and in relation to the shares issued by the Resulting Company after the effectiveness of the Scheme. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transaction period.
- (v) In case any shareholder's holding in the Demerged Company is such that the shareholder becomes entitled to a fraction of an equity share of the Resulting Company, the Resulting Company shall not issue fractional share certificates to such shareholder but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Resulting Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same in proportion to their fractional entitlements;
- (vi) The equity shares of the Resulting Company issued pursuant to this Scheme will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and the Resulting Company will elect, in its sole discretion, to rely upon applicable exemptions from the registration requirements of the Securities Act.



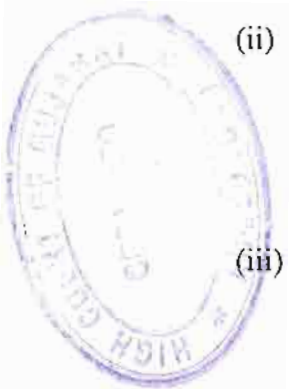
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- (vii) All equity shares of the Resulting Company shall be listed and/or admitted to trading on the Stock Exchanges, in accordance with applicable law.
- (viii) Unless otherwise determined by the Board of Directors of the Demerged Company and the Board of Directors of the Resulting Company, issuance of equity shares in terms of sub-Clause (i) above shall be done within 45 days from the Effective Date.
- (ix) Subject to any dispensations that may be granted by the Securities Exchange Board of India and / or the Stock Exchanges, the shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.
- (x) Subject to any dispensations that may be granted by the Securities Exchange Board of India and / or the Stock Exchanges, there shall be no change in the shareholding pattern or control in the Resulting Company between the Record Date and the date of listing of the shares of the Resulting Company pursuant to the Scheme, save and except pursuant to the issuance of shares under this Scheme.

#### **Reduction in Share Capital of the Resulting Company**

59. (i) As an integral part of this Scheme, the existing shareholding of the Demerged Company in the equity share capital of the Resulting Company shall stand cancelled in accordance with the provisions of Sections 100 to 103 of the Act.
- (ii) However, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of Section 101 of the Act are not applicable. Therefore, no order under Section 102 of the Act confirming the reduction shall be required.
- (iii) The reduction in the share capital of the Resulting Company shall be effected as an integral part of the Scheme in accordance with the provisions of Section 78, Section 80, Sections 100 to 103 and all other applicable provisions of the Act and the Order of the High Court sanctioning this Scheme shall be deemed to be also the Orders under Section 102 of the Act for the purpose of confirming the reduction. Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name.



#### **Reduction in Share Capital of the Demerged Company**

60. As a result of the demerger and the resultant transfer of the Demerged Undertakings to the Resulting Company, the issued, subscribed and paid up share capital of the Demerged Company will no longer be represented by assets which have been transferred to the Resulting Company. Accordingly, as



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an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorised, issued, subscribed and paid-up share capital of the Demerged Company shall stand reduced by an amount of Rs.205,22,77,733/- to Rs.410,45,55,470/- comprising of 41,04,55,547 equity shares of Rs.10/- each, without any further act or deed. The reduction in the Share Capital and the Share Premium Account of the Demerged Company shall be effected as an integral part of the Scheme in accordance with the provisions of Section 78, Section 80, Sections 100 to 103 and any other applicable provisions of the Act and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of the unpaid share capital or payment of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable. Notwithstanding the reduction in the equity share capital of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name.

61. The reduction as aforesaid shall be effected by reducing the paid up equity share capital of the Demerged Company on a proportionate basis from each equity share of Rs.10/- each which are issued and outstanding. Further to the aforesaid reduction of share capital of the Demerged Company, 3 equity shares so reduced shall be consolidated into 2 equity shares of Rs.10/- each. Due to the reduction in capital of the Demerged Company and the aforesaid consolidation, if a shareholder becomes entitled to a fraction of an equity share of the Demerged Company, the Demerged Company shall not issue fractional share certificates to such member but shall consolidate such fractions and issue consolidated equity shares to a trustee nominated by the Demerged Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlement.

62. The capital clause of the Memorandum of Association of the Demerged Company shall, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:

#### MEMORANDUM OF ASSOCIATION

"The authorized share capital of the Company is Rs.1010,50,00,000/- divided into 100,00,00,000 equity shares of Rs.10/- each and 10,50,000 preference shares of Rs.100/- each, with the rights, privileges and conditions attached thereto with the power to vary, modify or abrogate such rights, privileges and conditions as may be provided by the Articles of Association of the Company for the time being. The Board of Directors shall have the power to classify as and when required the shares as equity or preference shares, with or without voting rights as may be permissible at law, and attach thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions as may be determined by or in accordance with the provisions of the Companies Act, 1956 and the regulations of the Company, and to vary, modify or abrogate any such rights, privileges and conditions in such manner as may for the time being be provided by the regulations of the Company and also the power to increase or reduce the capital of the Company as may be

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determined in accordance with the Articles of Association of the Company.”

63. Pursuant to this Scheme, the Demerged Company shall file the requisite forms with the Registrar of Companies for alteration of its authorised share capital.
64. It is hereby clarified that for the purposes of Clauses 60, 61 and 62 above, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment or reduction in authorised share capital of the Demerged Company, and no further resolution under the Act, would be required to be separately passed.

#### **Increase in Share Capital of the Resulting Company**

65. As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorised share capital of the Resulting Company shall stand increased to Rs.500,00,00,000/- comprising of 50,00,00,000 equity shares of Rs.10/- each, without any further act or deed.
66. The capital clause of the Memorandum of Association of the Resulting Company and Article 3 of the Articles of Association of the Resulting Company shall, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:

#### **MEMORANDUM OF ASSOCIATION**



“The Authorised Share Capital of the Company is Rs. 500,00,00,000/- (Rupees Five Hundred Crore only) divided into 50,00,00,000 equity shares of Rs.10/- each (Rupees Ten only), with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and attach thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions as may be determined by or in accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or the Articles of Association of the Company for the time being.”

#### **ARTICLES OF ASSOCIATION**

- a. The Authorised Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company with power to issue with or without premium or to increase or reduce the same in accordance with the provisions of the Companies Act, 1956.
  - b. The paid up Share Capital of the Company shall be minimum of Rs.5,00,000/- (Rupees Lakhs only).
67. Pursuant to this Scheme, the Resulting Company shall file the requisite forms with the Registrar of Companies for alteration of its authorised share capital.



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68. It is hereby clarified that for the purposes of Clause 65 and 66 above, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment or increase in authorised share capital of the Resulting Company, and no further resolution under Section 16, Section 94 or any other applicable provisions of the Act, would be required to be separately passed.
69. Since the increase in the authorised share capital of the Resulting Company is equal to the reduction in the authorised share capital of the Demerged Company, the stamp duties and fees (including registration fee) paid on the authorised share capital of the Demerged Company shall be utilized and applied to the increased authorised share capital of the Resulting Company and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Resulting Company for increase in the authorised share capital to that extent.

#### **Change of Name of the Demerged Company**

70. As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the name of the Demerged Company shall stand changed to "Essar Ports Limited" or such other name as may be approved by the shareholders of the Company without any further act or deed and the name "Essar Shipping Ports & Logistics Limited" wherever it appears in the Memorandum and Articles of Association of the Demerged Company shall stand substituted by the new name "Essar Ports Limited" or such other name as may be approved by the shareholders of the Company without any further act or deed.
71. Pursuant to this Scheme, the Demerged Company shall file the requisite forms with the Registrar of Companies and shall obtain a fresh certificate of incorporation upon the change of its name to "Essar Ports Limited" or such other name as may be approved by the shareholders of the Company.
72. It is hereby clarified that for the purposes of Clauses 70 and 71 above, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment or changing the name of the Demerged Company, and no further resolution under the Act would be required to be separately passed.

#### **Section 5 – General terms and conditions**

##### **73. Accounting treatment in the books of the Demerged Company**

- (i) The assets and the liabilities of the Demerged Company relating to the Demerged Undertakings being transferred to the Resulting Company shall be at values appearing in the books of account of the Demerged Company on the close of business on the day immediately preceding the Demerger Appointed Date. For this purpose, any change in value of assets, consequent to their revaluation, if any, shall be ignored.
- (ii) The difference between the value of assets and value of liabilities

transferred pursuant to the Scheme shall be appropriated first against the paid up value of the capital cancelled pursuant to Clause 60 and the balance, if any, shall be taken out of the following reserves appearing in the books of the Demerged Company, as under:

- (a) Capital Redemption Reserve;
- (b) Debenture Redemption Reserve;
- (c) Securities Premium;
- (d) Capital Reserve; and
- (e) General Reserve Account.

74. Accounting Treatment in the books of the Resulting Company

- (i) Upon the Scheme become effective and with effect from the Demerger Appointed Date, the Resulting Company shall record the assets and liabilities of the Demerged Undertakings vested in it pursuant to this Scheme at their respective book values (ignoring revaluation) as appearing in the books of the Demerged Company.
- (ii) The Resulting Company shall credit its Share Capital account with the aggregate face value of the equity shares issued to the shareholders of the Demerged Company pursuant to Clause 58 of the Scheme.
- (iii) An amount of Rs.25,00,00,000, towards the Debenture Redemption Reserve relating to NCDs in the books of the Demerged Company, shall be credited by the Resulting Company to its Debenture Redemption Reserve account.
- (iv) The excess or deficit, if any, remaining after recording the aforesaid entries, the costs in relation to transfer of assets pertaining to the Demerged Undertakings to the Resulting Company such as stamp duty, registration charges, etc. and other entries in accordance with the Scheme, shall be credited by the Resulting Company to its General Reserve account or debited to Goodwill, as the case may be.

75. Taxes

All taxes and duties (including income tax, MAT under section 115JA/115JB under the Income Tax Act 196, sales tax, excise duty, custom duty, service tax, VAT, etc.) paid or payable by the Demerged Company in respect of the operations and/or the profits of the Demerged Company before the Demerger Appointed Date, including any refund and claims shall be on account of the Demerged Company and, insofar as payments of taxes and duties (including, without limitation, income tax, sales tax, excise duty, custom duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operation of the Demerged Undertakings after the Demerger Appointed Date, including any refund and claims the same shall be deemed to be the corresponding item paid/ receivable by the Resulting Company and shall, in all proceedings, be dealt with accordingly. Accordingly, upon the Scheme becoming effective, the Demerged Company is expressly permitted to revise



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and the Resulting Company is expressly permitted to file their respective sales tax / value added tax returns, excise returns, service tax returns and other tax returns, and to claim refunds / credits, pursuant to the provisions of this Scheme.



#### PART IV – OTHER TERMS AND CONDITIONS

The provisions of this Part shall be applicable to the Amalgamations pursuant to Part II and Part III and the Demerger pursuant to Part IV.

##### 76. Dividends

- (i) Until the coming into effect of this Scheme, ESPLL, the Resulting Company, the First Amalgamating Company and the Second Amalgamating Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date as applicable.
- (ii) Until the coming into effect of this Scheme, the holders of the shares of ESPLL, the Resulting Company, the First Amalgamating Company and the Second Amalgamating Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of ESPLL and/or the Resulting Company and/or the First Amalgamating Company and/or the Second Amalgamating Company to demand or claim any dividends which, subject to the provisions of applicable law, shall be entirely at the discretion of the Boards of Directors of ESPLL, the Resulting Company, the First Amalgamating Company and the Second Amalgamating Company respectively, and subject to the approval, if required, of the shareholders of ESPLL, the Resulting Company, the First Amalgamating Company and the Second Amalgamating Company respectively.

##### 77. Applications

- (i) ESPLL and the Resulting Company shall make necessary applications before the High Court for the sanction of this Scheme under Sections 391 and 394 of the Act.
- (ii) The First Amalgamating Company and the Second Amalgamating Company shall make necessary applications before the courts of Mauritius for the sanction of this Scheme under the laws of Mauritius.

##### 78. Modifications of Scheme

- (i) ESPLL (by its Board of Directors), the Resulting Company (by its Board of Directors), the First Amalgamating Company (by its Board of Directors) and the Second Amalgamating Company (by its Board of Directors), may, in their full and absolute discretion, assent to any alteration or modification to this Scheme which either the Boards of





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Directors of ESPLL or the Resulting Company or the First Amalgamating Company or the Second Amalgamating Company, as the case may be, deem fit, or which the Court and/or any other Authority may deem fit to approve or impose.

- (ii) ESPLL (by its Board of Directors), the Resulting Company (by its Board of Directors, in relation to the Demerger) and the First Amalgamating Company (by its Board of Directors, in relation to the First Amalgamation) and the Second Amalgamating Company (by its Board of Directors, in relation to the Second Amalgamation), may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation hereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture-holders of the respective companies), or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under law).
- (iii) Any issue as to whether any asset, liability, employee or litigation pertains to the Demerged Undertakings or not shall be decided by the Boards of Directors of ESPLL and the Resulting Company, on the basis of evidence that they may deem relevant for the purpose (including the books and records of ESPLL).

79. Scheme Conditional on

This Scheme is conditional upon and subject to:

- (i) the Scheme being agreed to by the requisite majorities of the various classes of members and creditors of ESPLL, the Resulting Company, the First Amalgamating Company and the Second Amalgamating Company (as required) under applicable law and the requisite order of the High Court and the courts of Mauritius being obtained;
- (ii) such other sanctions and approvals as may be required from any governmental or regulatory authority under applicable law, in respect of this Scheme being obtained;
- (iii) the certified copies of the court orders referred to in this Scheme being filed with the Registrar of Companies, Gujarat; and
- (iv) the transfer of the Second Amalgamating Company to Mauritius and the issuance of a Category 2 Global Business Licence by the Financial Services Commission of Mauritius to each of the First Amalgamating Company and the Second Amalgamating Company.

80. In the event of this Scheme failing to take effect by July 31, 2012 or such later date as may be agreed by the Boards of Directors of ESPLL, the Resulting Company, the First Amalgamating Company and the Second Amalgamating





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Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to or be incurred inter se between the parties or their shareholders or creditors or employees or any other person. In such case, ESPLL, the Resulting Company, the First Amalgamating Company and the Second Amalgamating Company shall bear their own costs and expenses or as may be otherwise mutually agreed.

81. Severability

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

82. Costs

Subject to Clause 80 above, save as expressly otherwise agreed:

- (i) all costs, charges, taxes including duties, levies and all other expenses, if any arising out of, or incurred in carrying out and implementing the Amalgamations and matters incidental thereto, shall be borne by ESPLL; and
- (ii) all other costs, charges, taxes, duties, including any and all stamp duty payable in respect of the Scheme, levies and all other expenses, if any arising out of, or incurred in carrying out and implementing the Scheme, including the Demerger and matters incidental thereto, shall be borne by the Resulting Company.



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Schedule I

Details of the Vessels pertaining to the First Demerged Undertaking

Sr No.	Vessel	Vessel Type	DWT (MT)
1	MT Smiti	VLCC	2,81,396
2	MT Ashna	VLCC	3,01,428
3	Kiran	Capesize Bulker	1,75,048
4	Chandi Prasad	Capesize Bulker	1,31,987
5	Mahavir Prasad	Capesize Bulker	1,36,608
6	Govind Prasad	Capesize Bulker	1,29,329
7	Mv Malathi	Supramax Bulkera	55,707
8	Mv Malavika	Supramax Bulkera	53,169
9	Mv Tvisha	Handysize Bulker	13,000
10	Mv Tuhina	Handysize Bulker	13,000
11	Nand Aparajita	Mini Bulk Carrier	2,200
12	Nand Hazira	Mini Bulk Carrier	2,200
13	Nand Ichapur	Mini Bulk Carrier	2,200
14	Nand Aparna	Mini Bulk Carrier	2,200
15	Nand Magdalla	Mini Bulk Carrier	2,200
16	Nand Ananya	Mini Bulk Carrier	2,200
17	Nand Rajgadi	Mini Bulk Carrier	2,200
18	Nand Kawas	Mini Bulk Carrier	2,200
19	Essar Tug III	Tug	400
20	Essar Tug IV	Tug	400
21	Essar Tug V	Tug	400
22	Essar Tug VI	Tug	400



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Schedule II

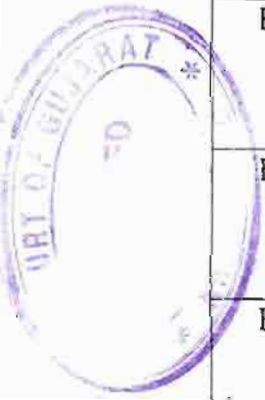
Premises pertaining to the First Demerged Undertaking

A. Freehold Land

Property	Location	Description
Land	Kadi, Mehsana	Non-agricultural freehold land comprised of plot of land known as Private Plot No.13 admeasuring 1631.39 sq.yds equivalent to 1397.50 sq.mtrs. forming part of amalgamated Survey No.261 of Kouje Budasan of Kadi Taluka in the Registration District Mehsana and sub-District of Kadi

B. Owned Premises

Property	Location	Description
Building	Chennai	Old Corporation Door No.9, Sir C.P. Ramaswamy Iyer Road, Abhiramapuram, Chennai 600018 bearing O.S.No.1100, Registration Survey No.3666 comprised in Collectors Certificate No.2257 admeasuring 16 grounds and 853 sq.ft. in the Registration District of Madras, Tamilnadu.
Flat	Surat	Flat bearing No. 808 admeasuring 1900 Sq. Ft. of Suryakiran Building No. 1 in the Registration District of Surat and Sub District of Choryausi Village, Gujarat.
Flat	Surat	Flat bearing No. 809 admeasuring 1780 Sq. Ft. of Suryakiran Building No. 1 in the Registration District of Surat and Sub District of Choryausi Village, Gujarat.
Flat	Surat	Apartment No. 105, First Floor, admeasuring 1375 Sq. Ft. of LM Park Building No. 4 in the Registration District of Surat and Sub District of Choryausi Village, Gujarat.
Flat	Surat	Apartment No. 106, First Floor, admeasuring 1375 Sq. Ft. of LM Park Building No. 4 in the Registration District of Surat and Sub District of Choryausi Village, Gujarat.



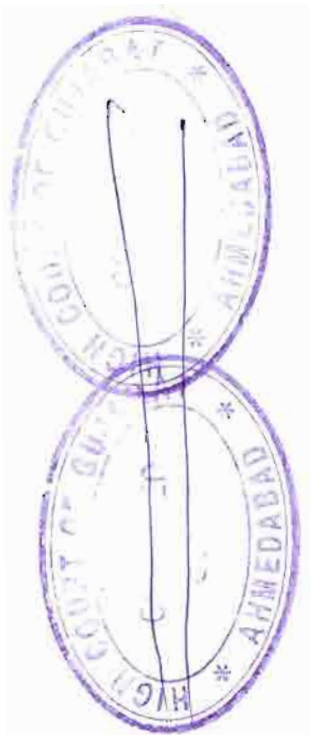
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### Schedule III

#### Debentures and loans relatable to the Demerged Undertakings as on October 1, 2010

[Note: Since the Appointed Date for the Demerger (i.e., October 1, 2010) under the Scheme is prospective, this Schedule will be updated to provide for a complete list of the debentures and loans relatable to the Demerged Undertakings as on October 1, 2010, after October 1, 2010.]



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Dated this 1<sup>st</sup> day of March 2011.

Witness Sudhanshu Jyoti Mukhopadhaya Esquire,  
The Chief Justice at Ahmedabad  
aforesaid this First day of March Two Thousand Eleven.

By the order of the Court

*sd - K. M. Shaikh*

Registrar (Judicial)

This *1<sup>st</sup>* day of March 2011

*I/C Additional*

*Adm  
8/3/11*

*sd - N. P. Tekani*

Sealer

This *1<sup>st</sup>* day of March 2011

Order drawn by:

*Swati Soparkar*

(Swati Saurabh Soparkar)

Advocate

301, Shivalik-10, Opp. SBI Zonal Office,  
Near Old Excise Chowky, S.M. Road,  
Ambavadi, Ahmedabad 380 015.

TRUE COPY

*ac* *ml*  
ASSISTANT REGISTRAR  
THIS *18/3/11* DAY OF



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

**ARTICLES OF ASSOCIATION  
OF  
ESSAR SHIPPING LIMITED**

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the annual general meeting of the Company held on December 23, 2019 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

**TABLE "F" EXCLUDED**

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

**Interpretation**

- |          |   |                                 |
|----------|---|---------------------------------|
| * 2. (1) | In these Articles -   |                                 |
|          | (a) "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable | "Act"                           |
|          | (b) "Articles" means these articles of association of the Company or as altered from time to time.  | "Articles"                      |
|          | (c) "Board of Directors" or "Board", means the collective body of the directors of the Company  | "Board of Directors" or "Board" |
|          | (d) "Company" means Essar Shipping Limited.   | "Company"                       |
|          | (e) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act   | "Rules"                         |
|          | (f) "seal" means the common seal of the Company.  | "Seal"                          |
|          | (2) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.   | "Number" and "Gender"           |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

- |     |   |  |
|-----|---|--|
| (3) | Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be. | Expressions in the Articles to bear the same meaning as in the Act |
|-----|---|--|

### Share capital and variation of rights

- |   |        |  |  |
|---|--------|--|--|
| * | 3.     | Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.  | Shares under control of Board                      |
| * | 4.     | Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.   | Directors may allot shares otherwise than for cash |
| * | 5.     | <p>The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:</p> <p>(a) Equity share capital:</p> <p style="padding-left: 40px;">(i) with voting rights; and / or</p> <p style="padding-left: 40px;">(ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and</p> <p>(b) Preference share capital</p>  | Kinds of Share Capital                             |
| * | 6. (1) | <p>Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide -</p> <p>(a) one certificate for all his shares without payment of any charges; or</p> <p>(b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.</p> | Issue of certificate                               |
|   | (2)    | Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.   | Certificate to bear Seal                           |
|   | (3)    | In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.  | One certificate for shares held jointly            |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

*	7.	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share	Option to receive share certificate or hold shares with depository
*	8.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.	Issue of new certificate in place of one defaced, lost or destroyed
*	9.	The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.
*	10. (1)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules	Power to pay commission in connection with securities issued
	(2)	The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.	Rate of commission in accordance with Rules
	(3)	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other	Mode of payment of commission
*	11.	If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act	Variation of members' rights
	(2)	To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.	Provisions as to general meetings to apply mutatis

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

		mutandis to each meeting
* 12.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	Issue of further shares not to affect rights of existing members
* 13.	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
* 14. (1)	The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to - <ul style="list-style-type: none"> <li>(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person; or</li> <li>(b) employees under any scheme of employees' stock option; or</li> <li>(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above</li> </ul>	Further issue of share capital
	(2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules	Mode of further issue of shares

### Lien

* 15. (1)	The Company shall have a first and paramount lien - <ul style="list-style-type: none"> <li>(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</li> <li>(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:</li> </ul> Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause	Company's lien on Shares
	(2) The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019



	(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.	Waiver of lien in case of registration
*	16.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made—</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.</p>	As to enforcing lien by sale
*	17. (1)	To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof	Validity of sale
	(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
	(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share	Validity of Company's receipt
	(4)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.	Purchaser not affected
*	18. (1)	The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.	Application of proceeds of sale
	(2)	The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	Payment of residual money
*	19.	In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.	Outsider's lien not to affect Company's lien
*	20.	The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to lien to apply mutatis

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

mutandis to  
debentures, etc.

### Calls on Shares

- |   |     |     |  |   |
|---|-----|-----|--|---|
| * | 21. | (1) | The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.   | Board may make calls                        |
|   |     | (2) | Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.  | Notice of call                              |
|   |     | (3) | The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.   | Board may extend time for payment           |
|   |     | (4) | A call may be revoked or postponed at the discretion of the Board.   | Revocation or postponement of call          |
| * | 22. |     | A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.   | Call to take effect from date of resolution |
| * | 23. |     | The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof   | Liability of joint holders of shares        |
| * | 24. | (1) | If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.   | When interest on call or instalment payable |
|   |     | (2) | The Board shall be at liberty to waive payment of any such interest wholly or in part.   | Board may waive interest                    |
| * | 25  | (1) | Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable | Sums deemed to be calls                     |
|   |     | (2) | In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.  |   |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

*	26.	The Board -	Payment in anticipation of calls may carry interest
	(a)	may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and	
	(b)	upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.	
*	27.	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Instalments on shares to be duly paid
*	28.	All calls shall be made on a uniform basis on all shares falling under the same class  Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
*	29.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	Partial payment not to preclude forfeiture
*	30.	The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.

#### **Transfer of shares**

*	31. (1)	The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.	Instrument of transfer to be executed by transferor and transferee
	(2)	The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof	

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

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

#### Transmission of shares

*	36.	(1)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.	Title to shares on death of a member
		(2)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
		(3)	The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.	Indemnity to the Company
*	37.	(1)	If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.	Right to election of holder of share

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	(2)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.	Manner of testifying election
	(3)	All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	Limitations applicable to notice
*	38.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
*	39.	The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to transmission to apply mutatis mutandis to debentures, etc.

#### **Forfeiture of shares**

*	40.	If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or instalment not paid notice must be given
*	41.	The notice aforesaid shall: (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	Form of notice

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

*	42.	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment of shares to be forfeited
*	43.	Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.	Receipt of part amount or grant of indulgence not to affect forfeiture
*	44.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	Entry of forfeiture in register of members
*	45.	The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
*	46. (1)	A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
	(2)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of forfeiture
*	47. (1)	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owing at the time of forfeiture
	(2)	All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part	Member still liable to pay money owing at time of forfeiture and interest

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

	(3)	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cesser of liability
*	48.	(1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
	(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
	(4)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
*	49.	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
*	50.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
*	51.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates
*	52.	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019



and the words “share” and “shareholder”/“member” shall include “stock” and “stock-holder” respectively.

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|-------|---|----------------------|
| * 56. | The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, – | Reduction of capital |
|       | (a) its share capital; and/or   |                      |
|       | (b) any capital redemption reserve account; and/or  |                      |
|       | (c) any securities premium account; and/or  |                      |
|       | (d) any other reserve in the nature of share capital.   |                      |

### Joint Holders

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| * 57. | Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:   | Joint-holders  |
|       | (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.  | Liability of Joint-holders   |
|       | (b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.   | Death of one or more joint-holders                                 |
|       | (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.   | Receipt of one sufficient  |
|       | (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.  | Delivery of certificate and giving of notice to first named holder |
|       | (e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof | Vote of joint-holders  |
|       | (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.  | Executors or administrators as joint holders                       |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019



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| (f) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names. | Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc. |
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### Capitalisation of profits

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| * 58. (1) The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve –<br>(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and<br>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. | Capitalisation                         |
| (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards :<br>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;<br>(B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid<br>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).   | Sum how applied                        |
| (3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;  |  |
| (4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.  |  |
| * 59. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall -<br>(a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and<br>(b) generally do all acts and things required to give effect thereto.  | Powers of the Board for capitalisation |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

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| (2) | The Board shall have power –   | Board's power to issue fractional certificate / coupon etc. |
|     | <p>(a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.</p> |   |
| (3) | Any agreement made under such authority shall be effective and binding on such members.  | Agreement binding on members                                |

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

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| * | 60. | Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities. | Buy-back of shares |
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#### **General meetings**

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| * | 61. | All general meetings other than annual general meeting shall be called extraordinary general meeting. | Extraordinary general meeting                         |
| * | 62. | The Board may, whenever it thinks fit, call an extraordinary general meeting.                         | Powers of Board to call extraordinary general meeting |

#### **Proceedings at general meetings**

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| * | 63. | (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. | Presence of Quorum   |
|   |     | (2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.                  | Business confined to election of Chairperson whilst chair vacant |
|   |     | (3) The quorum for a general meeting shall be as provided in the Act.   | Quorum for general meeting                                       |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

*	64.	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.	Chairperson of the meetings
*	65.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	Directors to elect a Chairperson
*	66.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
*	67.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
*	68.	<p>(1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -</p> <p>(a) is, or could reasonably be regarded, as defamatory of any person; or</p> <p>(b) is irrelevant or immaterial to the proceedings; or</p> <p>(c) is detrimental to the interests of the Company.</p> <p>(3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.</p> <p>(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.</p>	<p>Minutes of proceedings of meetings and resolutions passed by postal ballot</p> <p>Certain matters not to be included in Minutes</p> <p>Discretion of Chairperson in relation to Minutes</p> <p>Minutes to be evidence</p>
*	69.	<p>(1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:</p> <p>(a) be kept at the registered office of the Company; and</p> <p>(b) be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.</p>	Inspection of minute books of general meeting

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

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| (2)   | Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above:<br>Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost. | Members may obtain copy of minutes     |
| * 70. | The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.                                    | Powers to arrange security at meetings |

#### Adjournment of meeting

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| * 71. | (1) The Chairperson may, suo motu, adjourn the meeting from time to time and from place to place.   | Chairperson may adjourn the meeting      |
|       | (2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.                          | Business at adjourned meeting            |
|       | (3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.                                      | Notice of adjourned meeting              |
|       | (4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. | Notice of adjourned meeting not required |

#### Voting rights

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| * 72. | Subject to any rights or restrictions for the time being attached to any class or classes of shares -<br><br>(a) on a show of hands, every member present in person shall have one vote; and<br>(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company. | Entitlement to vote on show of hands and on poll |
| * 73. | A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.  | Voting through electronic means                  |
| * 74. | (1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.   | Vote of joint-holders                            |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

	(2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
*	75.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members non compos mentis and minor may vote
*	76.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members, etc.
*	77.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
*	78.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.	Restriction on voting rights
*	79.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
*	80.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members

### Proxy

*	81	(1)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
		(2)	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for	Proxies when to be Deposited

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019



holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

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| * | 82. | An instrument appointing a proxy shall be in the form as prescribed in the Rules.   | Form of proxy  |
| * | 83. | <p>A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:</p> <p>Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.</p> | Proxy to be valid notwithstanding death of the principal |

### Board of Directors

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| * | 84.     | Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (Fifteen).  | Board of Directors                         |
| * | 85.     | The Board shall have power to determine the directors whose period of office is or not liable to determination by retirement of directors by rotation.  | Directors not liable to retire by rotation |
| * | 86. (1) | The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day   | Remuneration of directors                  |
|   | (2)     | <p>In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them</p> <p>(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</p> <p>(b) in connection with the business of the company.</p> | Travelling and other expenses              |
| * | 87.     | All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.  | Execution of negotiable instruments        |
| * | 88. (1) | Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.   | Appointment of additional directors        |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

	(2)	Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act	Duration of office of additional director
*	89. (1)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
	(2)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	Duration of office of alternate director
	(3)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
*	90. (1)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
	(2)	The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy

#### **Powers of Board**

*	91.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
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\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

## Proceedings of the Board

*	92.	(1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	When meeting to be convened
		(2)	A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Who may summon Board meeting
		(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
		(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Board meetings
*	93.	(1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
		(2)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
*	94.		The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	Directors not to act when number falls below minimum
*	95.	(1)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office	Who to preside at meetings of the Board
		(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.	Directors to elect a Chairperson
*	96.	(1)	The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.	Delegation of powers
		(2)	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations
		(3)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or	Participation at Committee meetings

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

teleconferencing, as may be prescribed by the Rules or permitted under law.

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| * | 97.  | (1) | A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.  | Chairperson of Committee   |
|   |      | (2) | If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.   | Who to preside at meetings of Committee                                |
| * | 98.  | (1) | A Committee may meet and adjourn as it thinks fit.  | Committee to meet  |
|   |      | (2) | Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.  | Questions at Committee meeting how decided                             |
|   |      | (3) | In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote   | Casting vote of Chairperson at Committee meeting                       |
| * | 99.  |     | All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director. | Acts of Board or Committee valid notwithstanding defect of appointment |
| * | 100. |     | Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.   | Passing of resolution by circulation                                   |

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

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| * | 101 | (a) | Subject to the provisions of the Act, —<br>A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses. | Chief Executive Officer, etc.                 |
|   |     | (b) | A director may be appointed as chief executive officer, manager, company secretary or chief financial officer   | Director may be chief executive officer, etc. |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

## Registers

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| * | 102 | The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. | Statutory registers |
| * | 103 | <p>(a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.</p> <p>(b) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.</p>   | Foreign register    |

## The Seal

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| * | 104 | <p>(1) The Board shall provide for the safe custody of the seal.</p> <p>(2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p> | <p>The seal, its custody and use</p> <p>Affixation of seal</p> |
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## Dividends and Reserve

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| * | 105 | The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.      | Company in general meeting may declare dividends |
| * | 106 | Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit. | Interim dividends                                |

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019



*	107	(1)	The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.	Dividends only to be paid out of profits
		(2)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of profits
*	108	(1)	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	Division of profits
		(2)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	Payments in advance
		(3)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Dividends to be apportioned
*	109.	(1)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
		(2)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
*	110.	(1)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

	(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent	Instrument payment	of
	(3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge Company	to
*	111.	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient	
*	112.	No dividend shall bear interest against the Company.	No interest on dividends	
*	113.	The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividends.	

#### Accounts

*	114. (1)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors	
	(2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.	Restriction on inspection by members	

#### Winding up

*	115.	Subject to the applicable provisions of the Act and the Rules made thereunder -	Winding up of Company	
	(a)	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not		
	(b)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.		
	(c)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be		

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

compelled to accept any shares or other securities whereon there is any liability.

**Indemnity and Insurance**

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116.

(a)

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

Directors and officers right to indemnity
- (b)

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

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

Insurance

**General Power**

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117.

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

General Power

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

\* Amended vide Special Resolution passed by the Members at the Annual General Meeting held on December 23, 2019

WE, the several persons whose names addresses and descriptions are subscribed hereunto, are desirous of being formed into a Company in pursuance of this Article of Association:

Sr. No.	Name, address, description and occupation of each Subscriber	Signature of Subscriber
1.	<b>ESSAR DREDGING LIMITED</b> Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400034 [Through its Authorised Representative Mr. Ma noj Contractor, S/o Mr. Vinod Contra ctor, residing at Mumbai, pursuant to Board resolution dated January 27, 2010] Occupation: Business	Sd/-
2.	<b>R. JAGANNATHAN S / o Mr. L. Raghavan</b> A 501, Building No. 40, Ashwini CHS, Tilak Nagar, Chembur, Mumbai - 400 089 Occupation: Service	Sd/-
3.	<b>MANOJ CONTRACTOR</b> S/o Mr. Vinod Contractor 6A / 503, Spring Leaf, Lokhandwala, Kandivli (E), Mumbai - 400 101 Occupation: Service	Sd/-
4.	<b>MITISH SOMANI S/o Mr. Manohar Lal 102, Suvidhi</b> Bangur Nagar, Goregaon (W), Mumbai - 400 090. Occupation: SERVICE	Sd/-
5.	<b>VIKRAM GUPTA S/o Mr. Vinod Gupta Jollyland CHS,</b> Bunglow No. 3, N. B. Patil Marg, Chembur, Mumbai - 400 071 Occupation: Service	Sd/-
6.	<b>PARAG PISAT S/o Mr. Ramnath Pisat Flat No. 404,</b> 4 <sup>th</sup> Floor, Ahimsa Terrace Co-operative Housing Society Limited, Jai Prakash Nagar, Road No. 2, Goregoan (E), Mumbai 400 063 Occupation: Service	Sd/-
7.	<b>S. RAMAN S/o Late Mr. Subramania Iyer C-305, NG</b> Garden, Bunder Pakhadi Road, Kandivli (W), Mumbai - 400 067 Occupation: Service	Sd/-
	<b>Total</b>	

Witness to the above signatures

Sd/-

**SATISH RATHI S/o Mr. Pukhraj Rathi**  
D-1001, Galaxy Heights, Goregaon Link Road, Goregaon (W), Mumbai - 400 104

Occupation: Service

Dated: March 31, 2010  
Place: Mumbai