

No. 11- 84781

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

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

In the matter of ORCHID PRINT INDIA LIMITED

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

from **ORCHID PRINT INDIA LIMITED**

to **TATA CONSULTANCY SERVICES LIMITED**

and I hereby certify that **ORCHID PRINT INDIA LIMITED**

which was originally incorporated on 19th day of **JANUARY 1995** under the Companies Act, 1956 and under the name **R R DONNELLEY (INDIA) PRIVATE LIMITED** having duly passed the necessary resolution in terms of section 21/22/(1) (a)/22(1) (b) of the Companies Act, 1956 the name of the said Company is this day changed to

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

Given under my hand at **MUMBAI** this 17th

DECEMBER 2002

~~for the Registrar of Companies~~

(V.A.VIJAYAN MENON)
Registrar of Companies
Maharashtra, Mumbai.

No. 11- 84781

FRESH CERTIFICATE OF INCORPORATION CONSEQUENT ON CHANGE OF NAME

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

In the matter of: R R DONNELLEY (INDIA) LIMITED

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

from R R DONNELLEY (INDIA) LIMITED
ORCHID PRINT INDIA LIMITED
to

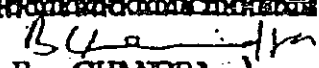
and I hereby certify that R R DONNELLEY (INDIA)
LIMITED

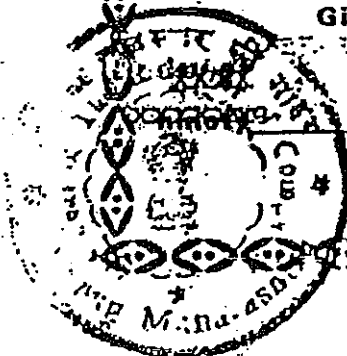
which was originally incorporated on 19th
day of January 1995 under the Companies Act, 1956 and under the name
R R DONNELLEY (INDIA) PRIVATE LIMITED having
duly passed the necessary resolution in terms of section 21/22(1)
(a)/22(1) (b) of the Companies Act, 1956 the name of the said
Company is this day changed to
ORCHID PRINT INDIA LIMITED

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

Given under my hand at MUMBAI this 19th
March

2001


DY. (B. CHANDRA)
Registrar of Companies
Maharashtra, Mumbai.





प्रारूप० आई० आर०
Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता०.....का सं०.....
No. 11-84781.....of 19 95.....

मैं एतद्वारा प्रमाणित करता हूँ कि आज.....

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह
कम्पनी पारसीमित है।

I hereby certify that RR DONNELLEY (INDIA) PRIVATE
Word, "Private" Deleted
.....LIMITED...../S 43A(1), 43A(1A), 43A(1B), 43A(1C) w.e.f. 07/1/95

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

मेरे हस्ताक्षर से आज ता०.....को दिया गया है।

Given under my hand at BOMBAY this NINETEENTH

day of JANUARY... One thousand nine hundred and NINETEEN FIVE



(S.R.V.V. SATYANARAYANA)

कम्पनियों का रजिस्ट्रार

Addl. Registrar of Companies
Maharashtra

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
TATA CONSULTANCY SERVICES LIMITED

- I. The name of the Company is **TATA CONSULTANCY SERVICES LIMITED**.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. Objects for which the Company is established are:-
- A. THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**
1. To advise, provide consultancy services, develop and implement products for customers on all matters regarding implementation of computer software and hardware systems, management of data processing and information systems and data communication systems whether in India/abroad.
 2. To design, develop, manufacture, assemble, buy, sell, distribute, import, export, alter, remodel, lease, install, repair, service, provide consulting and otherwise to deal in all classes and types of telecommunication, computing and related apparatus, instruments, machinery, fixtures, devices, and contrivances and parts thereof including, but not limited to telecommunications electronic test and measurement equipment analytical equipment, data processing equipment, electronic calculators, equipment services, electrical and electronic components of every description and mini computer and micro computer products, mainframe and super computers, computer networking products and services, computer software, firmware and programmers, electronic and mechanical computer and their peripherals of every kind, equipment and terminals and workstations (including intelligent terminals), speech and other signal processing equipment and services, test equipment and parts, assemblies and sub assemblies related to all of the above used in connection therewith, and to deal in all other machines, machinery, appliances apparatus devices, materials, substances, articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.

New Sub-clauses 1 to 81 substituted for existing sub-clause 1 to 64 in clause III - A, III-B and III-C vide special resolution passed at the Extra-Ordinary General Meeting of the Company held on October 7, 2002.

3. To design, develop, improve, manufacture market, distribute, sell, license, lease, install, alter, import, export, or otherwise deal in or with all software, hardware and programs of any and all kinds and description, including, but not limited to those used in, for or in connection with electronic data processing equipment, products and services including computers and micro processor based systems, mini and microcomputers based products, switches mainframe and super computers and telecommunications peripheral equipment and terminals including intelligent terminals speech or signal processing equipment, test equipment, office and factory automation equipment.
4. To provide software, hardware or programmes consultancy, information processing and business advisory services related to the preparation and maintenance of the accounting, statistical, scientific or mathematical information and reports data processing, preparing, collection and data of every kind and description, systems or aiding commerce, industry, scientific and research problems and for all other related businesses whether in India/ abroad.
5. To undertake all activities relating to software development for any industry, business, application, product, device, computer, microprocessor, including design and implementation of hardware and software for all such services whether in India/abroad.
6. To carry on the business of development, marketing, import, export, maintenance and service of all kinds of manufactured goods and products for all kinds of business including manufacturers and dealers in modem and accessories, hardware and accessories of every description for use in providing Internet, Intranets, Private Telecommunication Networks, or by any other means, E-mail service, facsimile service, education and training services, web sites, electronic market places, integral service digital networks, video conferencing, including renting, maintaining, repairing and, for the purpose, to set up plants, purchase, import or otherwise acquire the same and to run, maintain all such plants, machinery and to undertake all activities, directly or indirectly related to electronic commerce right from conception to transition, training, implementation, and modification and services related to Electronic-Commerce business, including developing content-based programs to exploit the Internet, Intranets and Private Telecommunication Networks or any other means for serving the cause of companies, groups of companies, industries, service organizations and government and quasi-government undertakings whether in India/ abroad.
7. To initiate, undertake, carry on, engage in, promote, assist encourage, finance and conduct scientific and technical research, developments, experiments, investigations, inquiries, studies, projects, analysis, examinations, surveys and test of all kinds including, but not limited to those related to telecommunications, computers, electronic data processing equipment, software, hardware and programmers of all kinds and description and any equipment, parts, components, assemblies or sub assemblies thereof whether in India/ abroad.

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

8. To establish or promote or concur in establishing or promoting any Company or Companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.

9. To carry on the business of manufacturers, designers, processors, assemblers, dealers, traders, distributors, importers, exporters, agents, consultants, systems designers, and contractors for erection and commissioning on turn-key basis or to deal in any other manner including storing, packing, transporting, converting, repairing, installing, training, servicing, maintenance of all types, varieties, and kinds of products, manufactured goods and equipment whether on behalf of clients or for business of the Company.
- *9A. To manufacture, purchase, sell or otherwise transfer, lease, import, export, hire, license, use, dispose of, operate, fabricate, construct, distribute, assemble, design, charter, acquire, market, recondition, work upon or otherwise, generally deal in any electronic, electrical, mechanical and electromechanical product, machine, apparatus, appliance, custom products, merchandise, systems, software procedure, peripheral products, computers, tabulators, data processing machines and systems and components thereof, electronic calculators, electric and electromechanical accounting systems, terminal products and systems, machines for registering, data preparation, recording, perforation, tabulating, sorting printing, typewriting, products which possess an internal intelligence for recognition and correlating any type of data or information to be processed, recognition and memory systems, optical scanning machine, transmission lines, transmission equipment, terminals, copying, reproducing and distributing machines, check signing, protecting and disbursing equipment, machines for facsimile reproduction, facsimile transmission and word processing, facilities and accessories and devices of all kinds, and for all purposes, and any products and component parts thereof or materials or articles used in connection therewith, and any and all other machinery, appliances, apparatus, devices, materials, substances, business forms and supplies, articles or things of a character similar or analogous to the foregoing, or any of them or connected therewith.
- *9B. To establish and conduct programmes for the training of any personnel including members of public in the fields enumerated in the aforementioned objects and or training any personnel in any educational fields including any technology, banking, insurance, management, bio-technology, behavioural sciences etc., and develop systems for use in connection therewith and for all industrial and business applications of computer, hardware, software, firmware, computer programme and systems.
10. To amalgamate, enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint venture or reciprocal concession, or for limiting competition with any individual, person or Company carrying on or engaged in, or about to carry on or engage in, any business or transaction, which the Company is authorized to carry on or engage in, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
11. To undertake or participate in the formation, management, Supervision or control of the business operations of any other Company, firm or person.
12. To purchase, take on lease, tenancy or in exchange hire or otherwise acquire any estate or interest and to take options over any property, whether movable or immovable and any rights or privileges which may be convenient for the purpose of its business or may enhance the value of any other property of the company.

* Inserted vide Resolution passed on 18.10.2005 at a Court Convened Meeting approving the Scheme of Amalgamation which was approved by the Bombay High Court on 27.1.2006 & effective from 1.2.2006

- *12A To sell, mortgage, exchange, grant leases, licenses, easements and other rights in respect of improve, manage, develop and turn to account or deal with in any manner the whole of the property, assets, investments, undertakings, rights and effects of the Company or any part thereof for such consideration as may be thought fit, including by way of shares, debentures, or securities of any other Company, whether partly paid up or fully paid up.
13. To receive money on deposit or loan and borrow or raise in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture-stock, (perpetual or otherwise) and to secure the repayment of and, money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled Capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or any other person or Company as the case may be but shall not carry on the business of banking as defined in the banking regulation act. 1949, subject to section 58A of the Companies Act, 1956, and R.B.I. directives.
 14. To purchase, acquire, or undertake over the whole or any part of the business, profession, goodwill, property, contracts, agreements, rights, privileges, effects and liabilities of any person, firm or Company catering on or proposing to carry on or ceasing to carry on any business, profession, or activity which the Company is authorised to carry on, or possessed of property or rights suitable for the purpose of the Company and upon such terms and subject to such stipulations and conditions and at or for such price or consideration (if any) in money, Shares, debentures, money's worth or otherwise as may be deemed fit.
 15. To enter into any arrangements with any Governments or authorities that may seem conducive to the attainment of the Company, object or any of them, and to obtain from any such Government or authority any rights, privileges, licences and concessions, which the Company may consider necessary or desirable to obtain, and to carry out, exercise use or comply with any such arrangement rights, privileges or concessions.
 16. To procure the registration, incorporation or recognition of the Company under the laws or regulations of any other country and to do all acts necessary for carrying on any business or activity of the Company in any foreign country.
 17. To donate or gift, in cash or kind, for any national charitable, benevolent, public, purposes or to any institutions, club, society, research association, fund, university, college or any other person or body.
 18. To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise, and to exercise, carry out and enjoy any charter, licence, power, authority, franchise, concession, right or privilege, which any government or authority or any corporation or other public body may be empowered to grant, and to pay for, aid in, and contribute towards carrying out the charter, licence, power, authority, franchise, concession, right or privilege into effect.

* Inserted vide Resolution passed on 18.10.2005 at a Court Convened Meeting approving the Scheme of Amalgamation which was approved by the Bombay High Court on 27.1.2006 & effective from 1.2.2006

19. To apply for, promote, and obtain any statute, order, regulation, or other authorization or enactment which may seem calculated directly or indirectly to benefit the Company, and to oppose any bills proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
20. To apply for, purchase or otherwise acquire any patents, patent rights, copyrights, trade marks, formulae, licences, concessions and the like or any secret or other information, the acquisition of which may seem calculated directly or indirectly to benefit the Company in any jurisdiction.
21. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds, or Trusts for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments or stock options to any persons who are or were at any time in the employment or service of the Company, or, of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at any time directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependents of any such persons, and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to or towards the insurance of any such persons as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid.
22. To open bank accounts of all kinds including overdraft accounts, and to operate the same.
23. To distribute amongst the members of the Company in specie or kind any property of the Company, or any proceeds of sale or disposal of any property of the Company in the event of the winding up, of the Company, subject to the provisions of the Companies Act, 1956.
24. To invest and deal with the moneys of the Company not immediately required in any manner.
25. To adopt such means of making known and advertising the business of the Company as may seem expedient.
26. To accept gifts, bequests, devices and donations from members and others and to make gifts to members and others of money, assets and properties of any kind.
27. To become members of other bodies of persons and associations, including societies, clubs and Companies limited by guarantee, whether formed for profit or non-profit activities.
28. To carry on the business of undertaking and setting up project on turn key basis.
29. To carry out the objects of the Company and do things in any part of the world and either as principal, agent, contractor or trustee or otherwise & rid by or through trustees or agents or otherwise, and either alone or in conjunction with other.

30. In accordance with the law for the time being in force to reserve or to issue as bonus shares to the members or otherwise to apply as the Company deems fit any money received by way of premium on any shares stock, mortgage, debentures stock of the Company.
31. In connection with the business of the Company to guarantee the performance of any Company, firm or persons and to guarantee the payment and repayment of the capital and principal and of dividend interest or premium payable on any stock, mortgage, loan or other securities, issued by any Company, Corporation, firm or persons, including (without prejudice to the said generally), bank overdrafts, bill of exchange and promissory notes and generally to give guarantee and indemnities.

C. OTHER OBJECTS:

32. To carry on, establish, organize, manage, promote, provide, operate, conduct and develop life insurance and general assurance business in all its branches & manifestations in India or elsewhere and for this purpose to operate various schemes including whole life insurance, endowment insurance, double benefit and multiple benefit insurance, medical insurance, fire, riot, earth-quake, natural calamity or crop insurance, loss of profit insurance, theft insurance, transit insurance, accidental insurance, limbs and organ insurance, annuity plans, gratuity plans, fixed income plans and such other schemes and plans as may be considered expedient and necessary from time to time.
33. To act as agents, representatives, surveyors, sub-insurance agents, franchisers, consultants, advisors, collaborators, in life and general insurance.
34. To engage in all activities which are incidental and allied or related to insurance business and for this purpose to apply, approach acquire, hold and procure such rights, titles entitlements, licences and permissions from Government, Semi-Government, local authorities, public bodies, undertaking and from such other authorities as may be necessary and expedient.
35. To acquire, take up, manage, invest, hold, sell and deal in investments and other property of any kind and advise in relation thereto on behalf of individuals, trusts, pension funds, charities, associations, registered societies, unit trusts, mutual funds, offshore funds, investments pool and other persons of bodies of persons whether incorporated or not and to promote, establish, manage and carry on any trust scheme, mutual fund operations, investment or pool (whether fixed or flexible or a combination thereof) or concerning any shares, stocks, debenture, debenture stock, bonus, unit, loans, obligations, securitised debt, money market investments securities of the Government, State, Company, Corporation, Municipal or local or other Body or Authority or obligations or local or other securities or investments of any kind or description whether in India or any foreign country.
36. To carry on the business of managing investments of pension funds or any superannuation schemes or any other funds of similar nature.
37. To carry on business in all its branches and elsewhere as an investment advisor and asset management company and to undertake and carry on and execute all kinds of financial, advisory and investment supervisory services to any clients, and to generally carry on commercial trading and other operations.

38. To act as financial advisors and investment advisors and to render such financial and advisory services to individuals, companies, corporations, trusts and other entities so as supplement the activities of the Company and as so not conflict with the activities of the Company.
39. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its Capital including brokerage and commission for obtaining applications, for or taking, placing or underwriting or procuring the underwriting of Shares, debentures or other securities of the Company.
40. To promote, subscribe to, purchase, acquire by exchange or otherwise any share (whether fully paid or partly paid), stock, debentures, debenture-stock in or of any other body corporate or other securities of all kinds and to hold the same as investment or stock in trade and realize or sell the same.
41. To employ expel to investigate and examine into the conditions, prospects, value, character, and circumstances of any business, concerns and undertakings and generally of any assets, concessions, properties or rights.
42. *
43. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes and other negotiable or transferable instruments.
44. To undertake, aid or promote research in economic, fiscal, commercial, financial, agricultural, medical industrial, mining, technical and scientific problems and matters.
45. To carry on the business of mining, refining and preparing for market ores, minerals, metals and substances of every kind and description, and processing them and trading in them and their products and by products.
46. To carry on the business of engineers, founders, smelters, fabricators, smiths, metal, workers, metallurgists, electric and chromium platers, polishers, painters, in smiths, locksmiths, iron mongers, alloy makers and machinists and manufacturers of and dealers in machinery, tools, instruments and equipment of all kinds used in mining, refining, manufacturing and processing of ores, mineral goods and materials.
47. To carry on the business of manufacturers and fabricators of and dealers in machinery, machine tools, implements, engineering products, machinery spares and components of all types and in particular to manufacture, produce, repair, alter, convert, recondition, prepare for sale, buy, sell, hire import, export let out on hire, trade and deal in machine tools and implements other machinery, plant, equipment, article, apparatus appliances, component parts, accessories, fittings, and things in any stage or degree of manufacture, process or refinement.

* Omitted vide Resolution passed on 18.10.2005 at a Court Convened Meeting approving the Scheme of Amalgamation which was approved by the Bombay High Court on 27.1.2006 & effective from 1.2.2006

48. To carry on business as financiers, guarantee, brokers and of hire purchase financing agency, investors, and to undertake, carry on and execute all kinds of financial business whatsoever, to advance money on personal security or on the security of leasehold and freehold land, shares, securities, stocks, merchandise and other property and assets and generally to lend and advance money to such persons, firms or companies and upon such terms and subject to such conditions as may be expedient.
49. To carry on the businesses as exporters, stockists, distributors, agents, traders and dealers in all kinds of products and articles of merchandise and to undertake, carry on or acquire agencies of all kinds for all type of products and articles of merchandise and to act as agents (selling and purchasing), brokers, commission agents, indentures and manufacturers' representatives and to set up import and export houses for all these of products required or ordered by the customers and to carry on the business in India or elsewhere in the world by itself or through agents.
50. To manufacture, import, buy, sell, exchange, distribute, fabricate, mould, extrude, expand, compress, bond, laminate, reinforce, well, shape, coat, print, treat, spin, weave, electroplate, vulcanize, melt, matallize, strength split, to adopt any of processes for foaming, fibrillation, cocooning and to manipulate, prepare for market or otherwise deal in polyethylene and polyethylene products, bye products, and variations, woven sacks, all kinds of tapes tarpaulins, sheets, carpets, tents, wires, ropes, roofing sheets, containers, and any other products which may be usually and conveniently combined with the business of the company.
51. To manufacture, import, export, buy, sell, exchange, and distribute, fabricate, process, print, weave, or otherwise deal in with synthetic rubber including silicone, rubber, synthetic leather, synthetic fibres, resins, pellets, and powders or in liquid form or any other form, cellulose bakelite, celluloid and other celluloid ester solutions chemicals and all kinds of adhesives.
52. To carry on the business of manufacturers of, importers, exporters and dealers in, hirers, repairers, and ware-housers of aeroplanes, helicopters, cars, lorries, buses, vans, cycles, tractors, motor cycles, scooters, wagons, locomotives, earth moving equipments, ships, boats, barges, trawlers, submarines and aircraft, vehicles and vessels of every description and their components and accessories.
53. To carry on the business of manufacturers of, importers, exporters, and dealers in forgings, castings, and stampings, of metals, tools, bolts, nuts, nails, rivets, hinges, hooks, handles, buckets, bath tubs, tanks, trunks, metal, future, sewing machines, safes, chimneys, pipes, locks, dies, jigs, measuring, tapes, automobile, parts, agricultural implements, armaments, tanks, guns and parts and components of all kinds of machinery.
54. To carry on business of manufacturing, processing and doing in iron and steel, ferro alloys, special steels, aluminium, copper, lead, zinc, and their alloys and productivity and manufacturing and dealing in industrial machinery, boilers, internal combustion engines, ball, roller, and tapered bearings, tubes cables, wires, pipes, cookers, printing machinery and textile machinery and their components and accessories.
55. To carry on the business of spinners, weavers, cloth manufacturers, furriers, hosiers, dressmakers, tailors, hatters, outfitters, glovers, shoe makers, carpet, makers and makers of jute goods, umbrellas, brushes, combs, razors, blades and scissors.

56. To carry on the business of manufacturers of, importers, exporters and dealers in glass, glass-products, including sheet and plate glass, optical glass, glass wool, laboratory ware, bottles, jars, containers, thermo-bottles, enamelware and receptacles of all kinds and wood products, including plywood, matches, furniture, boxes, windows, doors, tools and other articles and products in which timber or wood is used and to act as timber and lumber merchants and proprietors of saw mills.
57. To carry on the business of manufacturers of, importers, exporters and dealers in, hirers and repairers of electrical machinery, equipment and appliances of all kinds and descriptions including motors, batteries, dynamos, bulbs, armatures, magnets, conductors, insulators, transformers, converters, switch, board, airconditioners, refrigerators, domestic appliances and electronic equipments, including radars, computers, business machines, radios, televisions acts, tape recorders, gramophones, records, tapes and telecommunication equipment and telephone equipment and their components and accessories, including transistors, resistors, condensers and coils.
58. To carry on the business of manufacturers, importers, exporters and dealers in all types of rubber, leather, plastic latex, celluloid, bakelite and similar goods and their accessories and fittings, including tyres, tubes, rolls, rollers, shoes and packaging items.
59. To carry on the business of manufacturers of exporters, importers and dealers and workers in cement, lime, plasters, ceramic, sanitary fittings, asbestos sheets, chinaware, whiting clay, gravel, sand minerals, earth, coke, fuel and stone and builders' requisites and conveniences of all kinds.
60. To carry on the business of makers of and dealers, importers, exporters in scientific and industrial instruments of all kinds for indicating, recording, controlling, measuring and timing and machine tools, precisions tools, surgical instruments, and appliances and artificial limbs, dental and optical equipment and goods, anatomical, orthopaedic and surgical appliances of all kinds and providers of requisites for hospitals, patients and invalids.
61. To carry on the business of manufacturers of and dealers, in, importers, exporters of pulp and paper of all kinds, and articles made from paper or pulp and materials used in the manufacture or treatment of paper, including packaging goods land materials such as bags, cartons, containers, and boxes whether made of paper, plastic or any other materials and pens, pencils and ball pens.
62. To carry on the businesses of gold smiths, silver smiths, jewellery, gem and diamond merchants and of manufacturing and dealing in clock, watches, jewellery and cutlery and their components and accessories and of producing, acquiring an trading in metals, bullion, gold, ornaments, silver, silver, utensils, diamonds, precious stones, paintings manuscripts, curios, antiques and objects of art.
63. To carry on business in India and elsewhere as manufacturers of and dealers in and importers and exporters of all kinds of packaging and containers including cartons, boxes and cases wholly or partially of paper, board, wood, glass, plastic, rubber, metal, gelatine, tin or otherwise and glass bottles, glass jars. Flasks, casks and glass containers of every description, fibrite boxes, corrugated containers, corrugated folding boxes, display boxes, aluminium, foils, and packing requisites of every kind and description.

64. To carry on the business of generating and distributing gas and heat and of manufacturing or dealing in all kinds of machinery, equipment and appliances, required for generating, distributing, employing and consuming electricity and of acting as electrical engineers and contractors and of purifying water.
65. To carry on the business of constructing building, roads, bridges, dams, ports and working as builders and contractors, architects, decorators and manufacturers, and processors of and dealers in all kinds of building materials including bricks, tiles, marbles, hardware, cement, sanitary goods, road making materials and of acting as estate agents, brokers, managers of estates and properties and of acquiring promises on lease and giving them or sublease.
66. To carry on the business of cultivating, producing and dealing in agricultural products including food grains, cash, crops, oil, seeds, fruits, vines, vegetables, flowers, tea, coffee, cinchona, cotton, rubber, and the business of dairy farming including making of condensed and powered milk, cream, cheese, butter and other milk products and the business of poultry farming, live stock breeding and processing and canning of food articles, spices, fruits, and vegetables and of cultivating and exploiting forests and utilizing forest products.
67. To carry on the business of brewers, distillers, millers, bakers, butchers, confectioners and makers and manufacturers and dealers in flour, rava, maida, biscuits, bread, sugar, gur, khandsari, molasses, syrups, food articles of all types and description, cigarettes, and other articles made of or with tobacco and aerated, mineral and artificial water, alcohol, beer, ale, wines, whiskies, and liquors of every description.
68. To carry on the businesses of carriers of passengers and goods and merchandise by air, sea or surface transport and to maintain airways, shipping lines, roadways and other transport service and to act as clearing agents, forwarding, agents, travel agents, charterers, tour, agents, and freight contractors.
69. To carry on the business as selling agents, brokers, adatis, buyers, sellers, importers, exporters, dealers in, collectors, manufacturers of or in any other capacity and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise trade and deal in machinery, equipments, components spare parts, goods, produce, articles and merchandise of any kind whatsoever and without prejudice to the generality of the foregoing agricultural commodities, food grains, cash crops, cotton, tea jute coffee, fruits, vegetables, flowers, milk, milk products, meat, seeds, raw materials required by industries semi-finished products of industries and finished products of industries including machinery, equipment, chemicals, intermediates, electrical goods, textile yarns, garments, furniture, minerals, ores and oils as wholesalers or retailers on the basis of ready delivery or forward contracts or on commission basis.
70. To purchase, hold, take on lease or exchange, take on mortgage and give on mortgage, hire or otherwise acquire and hold or deal in any moveable or immovable property including, lands, buildings, houses, flats, bungalows, shops, offices, godowns, patents, licences and any rights, interests and privileges therein and to develop and turn them to account or let them out on rent.

71. To carry on the business of salt making, fishing, producing, distributing and exhibiting films of manufacturing and dealing in cameras and photographic equipments and materials and of renting or hiring out or dealing in all kinds of machinery, equipment, furniture, vehicles, ships, automobiles, aeroplanes, fans, sewing machines and other things.
72. To carry on the businesses of running hotels, restaurants, lodging houses, milk and snack bars, laundries, libraries, swimming pools, night clubs, hair dressing and beauty saloons, chemist shops, cold storages, cinemas, theatres, studios, exhibition halls, amusement centers, wine and beer shops, department stores, hospitals, clinics, nursing homes, maternity and family planning units, pathological laboratories, optician shops, massage houses, concert and dancing halls, discotheques, schools, colleges and training institutions, circuses, sports clubs, skating halls, boating and padding pool, radio and television stations, garage and service stations, repairs shops, petrol pumps, gymnasiums, safe deposit vaults, warehouses, godowns, car parks, hangers and race courses.
73. To carry on the business of consultants, assessors, valuers, surveyors, mortgage brokers, and undertaking the provision of hire purchase and credit sale finance and of acting as factors and brokers in any line or activity (provided that nothing contained here shall enable the Company to carry on the business of banking as defined in the banking Regulation Act, 1949).
74. To carry on the business and professors of providing services of all types including technical, administrative, marketing and other office services and providing services of technicians, scientists, artists, administrators, salesmen, economists, accountants, tax experts and of acting as recruitment agents, advertising agents, organizers of conferences, auctioneers, trustees, executors, administrators, attorneys, nominees, and agents (and to exercise the power of custodians, trustees and trust corporations) and of working as professional consultants, on technical, management, productivity, taxation, employment, investment, marketing, banking and economic problems and matters.
75. To carry on the business of procuring, developing and supplying technical know-how, patents, inventions, drawings, designs and other scientific formulae, and processes for the manufacture or processing of goods, and material and for the in installation or erection of machinery or plant for such manufacturing and processing and for the working of mines, oil wells and other sources of minerals and deposits and for search and discovery and testing of mineral deposits and for carrying out any operations relating to agriculture, animal husbandry, dairy or poultry farming, forestry and fishing and of rendering services in connection with the provision of such technical know-how.
76. To carry on the business of any contract or obligation of any Company, firm or persons and the payment and repayment of the capital and principal or dividend, interest or premium, mortgage, loan and other securities issued by any Company, corporation, firm or persons, including (without prejudice to the said generality) bank overdrafts bills of exchange and promissory notes.
77. To carry on the business of undertaking or arranging for the writing and publication of books, magazines, journals, or pamphlets on subjects relating to trade, commerce, industry, agriculture, medicine, banking, insurance, investment, taxation, finance, economics, law and other subjects.

78. To carry on the business of dealers and or in metals, bullion, gold, silver, diamonds, precious, stones, ornaments, and jewellery and paintings and coins and manuscripts and objects of art, obligations or securities by original subscriptions, tender purchase, exchange or otherwise on the basis of forward contracts or ready delivery and to subscribe for the same or to guarantee the subscription thereof.
79. To carry on the trades or businesses of preparing, spinning doubling, weaving, combing, souring, sizing, bleaching, colouring, dyeing, printing and finishing, working, or manufacturing, and/or dealing in any way whatever, cotton, wool, silk, flax, hemp, jute, artificial silk, rayon, nylon, and other fibrous or textile substances, including synthetic, yarn, polyester yarn, man made fibres and cotton yarn.
80. To promote, organize, age or deal with unit trusts, or and to hold, dispose of or deal with their shares and securities whether of fixed or variable return.
81. To make and cater into forward and speculative transactions and to accept and/or out double or single options in jute, hessian, cloth, gunny bags, wheat cotton, linseed, shares, securities, gold, silver, bullion, yarn, textile products and any other goods, things or commodities.

IV. The liability of the Members is limited.

V* The Authorized Share Capital of the Company is ₹ 5,650,750,000 (Rupees Five sixty five crore seven lakh and fifty thousand only) divided into 4,600,500,000 (Four sixty crore and five lakh only) Equity Shares of ₹ 1 (Rupee one only) and 1,050,250,000 (One hundred and five crore two lakh and fifty thousand only) Redeemable Preference Shares of ₹ 1 (Rupee one only) each with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified, or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors of the Company or by the Company in a general meeting, as applicable, in conformity with the provisions of the Companies Act, 2013 ('Act') and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being.

* Effective October 1, 2015, this clause has been amended by an Order dated August 14, 2015 of the Hon'ble High Court of Judicature at Bombay sanctioning the Scheme of Amalgamation of CMC Limited with Tata Consultancy Services Limited and their respective shareholders under Sections 391 to 394 of the Companies Act, 1956.

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

Name, address, description and occupation of each Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Signature of Witness and his name, address, description and occupation
<p>1. Bhalchandra Sitaram Bhalerao s/o Sitaram V. Bhalerao 402, Helen Haven 132/133, St. Cyril Road Bandra (W) Bombay – 400050</p> <p>Occ: Business Executive</p>	<p>1 (One)</p>	<p>Sd/-</p>	<p>Vijay Swamirao Lokur S/o. Swamirao 9/14, Sion (East) Bombay 400 022. Occ. Company Law Consultant</p>
<p>2. Pervaz Maneckshaw Poonawala 8, Cama Building Cama Road Andheri (W) Bombay – 400058</p> <p>Occ: Business Executive</p>	<p>1 (One)</p>	<p>Sd/-</p>	
	<hr/> <p>2 (Two)</p>		

Bombay, January 2, 1995

The entire set of Articles has been replaced vide Special Resolution passed at the Extra-Ordinary General Meeting of the Company held on October 7, 2002.

THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
TATA CONSULTANCY SERVICES LIMITED

1. The regulations contained in Table “A”, in the first Schedule to the Companies Act, 1956, shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alternation of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956 be such as are contained in these Articles. Table “A” not to apply but Company to be governed by these Articles
2. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context :- Interpretation
- (a) “The Act” or “the said Act” means “The Companies Act, 1956” or any statutory modification thereof, for the time being in force. The Act or the said Act
- (b) “These Articles” means these Articles of Association as originally framed or as from time to time altered by Special Resolution. These Articles
- (c) “Beneficial Owner” means the beneficial owner as defined in clause(a) of sub-section (1) of Section 2 of the Depositories Act, 1996. Beneficial Owner
- (d) “The Company” or “this Company” means TATA CONSULTANCY SERVICES LIMITED. The Company or this Company
- (e) “The Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board. The Directors
- (f) “Depositories Act, 1996” includes any statutory modification or re-enactment thereof Depositories Act, 1996
- (g) “Depository” means a Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996. Depository
- (h) “The Board,” or the “Board of Directors” means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with the Act. The Board or Board of Directors
- (i) “The Chairman” means the Chairman of the Board of Directors for the time being of the Company. The Chairman

The Managing Director	(j) “The Managing Director” includes one or more persons appointed as such or any of such persons or Directors for the time being of the Company who may for the time being be the Managing Director of the Company.
The Office	(k) “The Office” means the Registered Office for the time being of the Company.
Capital	(l) “Capital” means the Share Capital for the time being raised or authorized to be raised for the purpose of the Company.
Register	(m) “Register” means the Register of Members of the Company required to be kept pursuant to the Act.
The Registrar	(n) “The Registrar” means the Registrar of Companies, of the State where the Registered Office of the Company is situated.
Dividend	(o) “Dividend” includes bonus shares.
Month	(p) “Month” means a calendar month.
Seal	(q) “Seal” means the Common Seal for the time being of the Company.
In writing	(r) “In writing” and “written” shall include printing, lithography and other modes of representing or reproducing words in a visible form.
Plural Number	(s) Words importing the singular number also include the plural number and vice versa.
Persons	(t) Words importing persons include corporations and firms as well as individuals.
Gender	(u) Words importing masculine gender shall also include the feminine gender.
Expression in the Act to bear same meaning in the Articles	Subject as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.
Marginal Notes	The marginal notes hereto shall not affect the construction of these Articles.

CAPITAL AND SHARES

Share Capital
Effective October 1, 2015, this clause has been amended by an Order dated August 14, 2015 of the Hon'ble High Court of Judicature at Bombay sanctioning the Scheme of Amalgamation of CMC Limited with Tata Consultancy Services Limited and their respective shareholders under Sections 391 to 394 of the Companies Act, 1956

3. The Authorized Share Capital of the Company is ₹ 5,650,750,000 (Rupees Five sixty five crore seven lakh and fifty thousand only) divided into 4,600,500,000 (Four sixty crore and five lakh only) Equity Shares of ₹ 1 (Rupee one only) and 1,050,250,000 (One hundred and five crore two lakh and fifty thousand only) Redeemable Preference Shares of ₹ 1 (Rupee one only) each.

Power to increase share capital

4. The Board may, from time to time, with the sanction of the Company in a general meeting, increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.

5. Subject to the provisions of Section 80, any Preference Shares may, with the sanction of an ordinary resolution, be issued on the terms that they are, or at the option of the Company liable to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine

Redeemable
Preference
Shares

5A. Rights attached to Redeemable Preference Shares

The rights, privileges and conditions attached to the Redeemable Preference Shares of Re. 1/- (Rupee One only) each shall be as follows:

This article
has been
inserted by a
Special
Resolution
passed on
17.03.2008.

- (i) The Redeemable Preference Shares shall confer on the holders thereof, the right to a fixed cumulative preferential dividend on the capital for the time being paid-up thereon at a rate as may be determined by the Directors at the time of issue. The Redeemable Preference Shares shall also entitle the holders thereof, to a right to receive a variable non-cumulative dividend on such basis as may be determined by the Directors at the time of issue.
- (ii) The Redeemable Preference Shares shall rank for capital and dividends (including all dividends undeclared upto the commencement of winding-up) and for repayment of capital in a winding-up, *pari passu inter se* and in priority to the Equity Shares of the Company, but shall not confer any further right on the holders thereof to participate in the profits or assets of the Company except as mentioned above.
- (iii) The Redeemable Preference Shares shall not confer any right on the holders thereof to participate in any offer or invitation by way of rights or otherwise to subscribe for additional shares in the Company; nor shall the Redeemable Preference Shares confer on the holders thereof any right to participate in any issue of bonus shares or shares issued by way of capitalization of reserves.
- (iv) The Redeemable Preference Shares shall be redeemable at par at the end of six years from the date of allotment but may be redeemed at any time after three years from the date of allotment at the option of the holders thereof.
- (v) The rights and the terms attached to the Redeemable Preference Shares may be modified or dealt with by the Directors in accordance with the provisions of these Articles.

6. The Company may, at any time, pay commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures, or debenture stock of the Company or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares, debentures or debenture stock of the Company but so that if the commission in respect of shares shall be paid or payable out of capital the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed 5% on the price of shares and 2 ½% on the price of debentures or debenture stock, in each case subscribed or to be subscribed. The commission may be paid or satisfied in cash or in shares, debentures or debenture stock of the Company. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

Commission
for placing
shares,
debentures,
etc.

On what condition new shares may be issued	7. New shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given as the Board shall determine.
How far new shares to rank with existing shares	8. Except so far as otherwise provided by the conditions of issue, or by these Articles, any capital raised by the creation of new shares, shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, voting, surrender and otherwise. Such new shares shall rank pari passu with the existing shares in all respect except for the purposes of dividend that shall be pro rated to the period for which such newly issued shares are in existence.
Reduction of capital	9. Subject to the provisions of Section 100 to 104 of the Act the Company may, from time to time, by Special Resolution reduce its capital in any manner for the time being authorized by law and in particular, by paying off capital or canceling capital which has been lost or is unrepresented by available assets, or is superfluous by reducing the liability on the shares or otherwise as may be expedient, and capital may be paid off upon the footing that it may be called up again or otherwise; and the Board may, subject to the provisions of the Act, accept surrender of shares.
Sub-division and consolidation of shares	10. The Company in general meeting may, from time to time, sub-divide or consolidate the shares under powers conferred by Section 94 of the Act and shall file with the Registrar such notice of exercise of any such powers as may be required by the Act. Provided however that the provision relating to progressive numbering shall not apply to the shares of the Company which have been dematerialized.
Buyback of shares	11. Notwithstanding anything contained in these Articles, the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as may be permitted by the law.
Issue of Shares with differential voting rights	12. The Directors may issue shares with differential rights as to dividend, voting or otherwise, upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law, on obtaining approval of the shareholders.
Modification of rights	13. If at any time, the capital of the Company by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights attached to the shares of each class may, subject to the provisions of Section 106 and 107 of Act be varied with the consent in writing of the holders of at least three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of issued shares of that class and all the provisions hereinafter contained as to general meeting shall, mutatis mutandis, apply to every such meeting.

14. Subject to the provisions of these Articles, the shares shall be under the control of the Board of Directors who may allot or dispose of the same or any of them, to such persons, upon such terms and conditions, at such times, and upon such consideration as the Board may think fit. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting by a Special Resolution. Allotment of shares
15. Subject to the provisions of the Act and these Articles the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied, or for services rendered to the Company, either in or about the formation or promotion of the Company, or the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid up shares. Directors may allot shares as fully paid up
16. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator. Installments of shares to be duly paid
17. The Joint Holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share. Liability of joint-holders of shares
18. Shares may be registered in the name of any person, Company or other body corporate. Not more than four persons shall be registered as joint-holders of any share. How shares may be registered
19. (1) Subject to the provisions of the Articles 19(1) & 19(2), every person whose name is entered as a member in the register shall, without payment, be entitled to a certificate or more certificates in marketable lot under the Common Seal of the Company specifying the share or shares held by him and the amount paid thereon. Provided that, in respect of a 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. Share Certificates
- (2) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as holder of any share or whose name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami trust or equity or equitable, contingent or other claim or interest in such share on the part of any other person whether or not it, shall have express or implied notice thereof.
- (3) Notwithstanding anything contained herein, the Company shall be entitled to dematerialise pursuant to the provisions of the Depositories Act, 1996 its shares debentures and other securities and offer securities for subscription in a dematerialised form. The Company shall be entitled to maintain a Register of Members with the details of Members holding shares in physical form in any media as permitted by law including any form of electronic media. The Register of Beneficial Owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be the Register of Members and Security holders.

Limitation of time for issue of certificates

20. The Company shall complete and have ready for delivery share certificates within three months from the date of allotment unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the Directors may prescribe or approve.

Issue of new share certificate(s) in place of worn out, defaced, lost or destroyed

21. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Article shall be issued without payment of fees if the Directors so decide or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Offers for sale of equity shares by Tata Sons Limited and its associates

This Article has been inserted by a Special Resolution passed on 5.5.2004

21A. In the event Tata Sons Limited and their associates desire to make an offer for sale of their equity holding in the Company either along with a public offering by the Company or separately, the Company shall, so long as the resultant equity holding of Tata Sons Limited and their associates does not as a consequence fall below 26%, co-operate with and assist Tata Sons Limited and their associates to make such offer for sale and if such shares are to be sold in a jurisdiction where the shares of the Company are not already listed/registered, the Company shall also assist in listing/registering of its shares in such jurisdiction.

CALL ON SHARES

Board of Directors to make calls

22. (1) The Board of Directors, may from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the members in respect of moneys unpaid on the shares held by them respectively, by giving not less than 15 days notice for payment and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. The Board may, at their discretion, extend the time for payment of such calls.

Calls to carry interest

(2) If any member fails to pay any call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment, at such rate as shall from time to time be fixed by the Board of Directors, but nothing in this Article shall render it compulsory for the Board of Directors to demand or recover any interest from any such member.

23. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. Sums payable on allotment or at fixed date to be paid on due dates
24. (1) The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him. Voluntary advances of uncalled share capital
- (2) Upon all or any of the moneys so advanced may, until the same would, but for such advance, become presently payable, pay interest at such rate as may be agreed upon between the Board and the member paying the sum in advance and the Board of Directors may, at any time, repay the amount so advanced upon giving to such members three months notice in writing. Moneys paid in advance of calls shall not in respect thereof confer a right to dividend or to participate in the profits of the Company. Interest payable on calls in advance
25. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors. Calls to date from resolution
26. (1) If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid together with any interest which may have accrued. Forfeiture of shares
- (2) 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 will be liable to be forfeited.
- (3) 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.
- (4) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (5) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
27. (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 to the Company all moneys which at the date of forfeiture, were presently payable by him to the Company in respect of the shares. Liability to pay money owing at the time of forfeiture
- (2) The liability of such persons shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

Declaration of forfeiture	<p>28. (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.</p> <p>(2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.</p> <p>(3) The transferee shall thereupon be registered as the holder of the share.</p> <p>(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 or disposal of the share.</p>
Provisions regarding forfeiture to apply in the case of non-payment of sums payable at a fixed time	29. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the shares or by way of premium, as if the same had been payable by virtue of a call duly made and noticed.
Directors may accept surrender of shares	30. The Directors may at any time, subject to the provisions of the Act, accept the surrender of any share from or by any member desirous of surrendering on such terms as the Directors may think fit.
Company's lien on shares	31. The Company shall have a first and paramount lien upon every share not being fully paid up, registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such shares whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that this Article is to have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of the Company's lien, if any, on such shares.
Enforcement of lien on sale of shares	32. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of amount in respect of which lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or insolvency.
Application of proceeds of sales	33. The proceeds of the sale shall be received by the Company and shall be applied in payment of such part of the amount in respect of which lien exists as is presently payable and the residue shall (subject to a like lien for sums not presently payable as existed upon the shares prior to the sale) be paid to the persons entitled to the shares at the date of the sale. The purchaser shall be registered as the holder of the share and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

TRANSFER AND TRANSMISSION OF SHARES

34. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and registration thereof.	Form of transfer
35. The instrument of transfer of any share in the Company shall be executed both by the transferor and transferee and the transferor shall be deemed to remain holder of the share until the name of the transferee is entered in the register of members in respect thereof.	Execution of transfer
36. A transfer of the share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.	Transfer by legal representative
37. Every instrument of transfer shall be delivered to the Company at the office for registration accompanied by any certificate of the shares to be transferred and such evidence as the Company may require to prove the title of the transferor, or his right to transfer the shares. All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall on demand, be returned to the person depositing the same.	Instrument of transfer to be left at office and evidence of titles to be given
38. The provisions of Section 111A of the Act regarding registration of transfer should be adhered to. No fee shall be charged for registration of transfer, transmission, probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document. The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	Transfer of shares *
39. The Company shall keep a book, to be called the "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.	Register of transfers
40. The Register of Members or the Register of Debenture – holders may be closed for any period or periods not exceeding 45 (forty five) days in each year but not exceeding 30 (thirty) days at any onetime after giving not less than 7 (seven) days previous notice by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situated.	Closing of Registers of members and Debenture holders
41. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form the provisions of the Depositories Act, 1996 shall apply.	Transfer of Securities held in Dematerialised form
42. The executor or administrator of a deceased member (not being one of two or more joint holders) shall be the only person recognized by the Company as having any title to his shares, and the Company shall not be bound to recognize such executor or administrator unless such executor or administrator shall have first obtained Probate or Letters of Administration, as the case may be, from a duly constituted Court in India; Provided that in any case where the Board in their absolute discretion think fit, the Board may dispense with production of Probate or Letters of Administration, and, under the next Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.	Title to share of deceased holder

* This clause has been amended
by Resolution passed on 19.07.2005

Registration of persons entitled to shares otherwise than by transfer

43. Subject to the provisions of the Act and these Articles, any person becoming entitled to a share in consequence of the death, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give), upon producing such evidence as the Board think sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him, and approved by the Board, registered as such holder. Provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing to his nominee an instrument of transfer of the share in accordance with the provisions herein contained, and, until he does so, he shall not be freed from any liability in respect of the share.

Board may require evidence of transmission

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

BORROWING POWERS

Power of borrowing

45. (1) Subject to the provisions of Sections 292 and 293 (1) (d) of the Act, the Board may by means of a resolution passed at a meeting of the Board from time to time, borrow and/or secure the payment of any sum or sums of money for the purposes of the Company.

Conditions on which money may be borrowed

(2) The Board may secure the repayment of such moneys in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures, or debenture – stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

How debentures etc. shall be transferred

(3) Debentures, bonds etc. of the Company shall be transferred or transmitted in accordance with the procedure prescribed for shares in Section 108 of the Act and the prevailing rules made thereunder by Central Government from time to time, unless different provisions are made specifically in the terms of issue governing such debentures, bonds, etc.

Securities may be assignable free from equities

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

Issue at discount etc. or with special privileges

47. Subject to Sections 79 and 117 of the Act, any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Debentures, Debenture-Stock, Bonds or other securities with the right to allotment of or conversion into shares shall be issued only with the consent of the Company in General Meeting.

48. Subject to the provisions of Sections 58A, 58AA and 58B, 292 and 293 of the Companies Act and the rules made thereunder from time to time, the Board of Directors may, from time to time, invite and/or accept deposits from members of the public and/or employees of the Company/or otherwise at such interest rates as may be decided by the Board. Board may also pay commission to any person for subscribing or agreeing to subscribe or procure or agree to procure these deposits.

Inviting/accepting deposits

GENERAL MEETINGS

49. (1) A general meeting of the Company may be called by giving not less than twenty one days notice in writing. (2) A general meeting may be called after giving shorter notice than that specified in clause (1) of this Article if consent is accorded thereto : (i) in the case of an annual general meeting, by all the members entitled to vote thereat, and (ii) in the case of any other meeting subject to the provisions of Section 171 of the Act, by members of the Company holding not less than ninety five percent of such part of the paid-up share capital of the Company as gives a right to vote at meeting.

Notice of General Meeting

50. The ordinary business of an annual general meeting shall be to receive and consider the profit and loss account, the balance sheet, and the report of the Board of Directors and of the Auditors, and to declare dividends. All other business transacted at such meeting and all business transacted at an extra ordinary meeting shall be deemed special.

Business of meeting

51. (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.

Quorum

(2) Five members entitled to vote and present in person shall be a quorum at a general meeting.

52. The first annual general meeting of the Company shall be held within eighteen months of its incorporation and thereafter, the annual general meeting shall be held within six months after the expiry of each financial year, except in the case when, for any special reason time for holding any annual general meeting (not being the first annual general meeting) is extended by the Registrar under Section 166 of the Act, no greater interval than fifteen months shall be allowed to elapse between the date of one annual general meeting and that of the next. Every annual general meeting shall be held during business hours on a day other than a public holiday either at the Registered Office of the Company or at some other place as the Central Government may direct, and the notice calling the meeting shall specify it as the annual general meeting. All other meetings of the Company shall be called "Extraordinary General Meetings".

General Meetings

When Extra-ordinary meeting to be called

53. The Board may, whenever they think fit and shall, on the requisition of the holders of not less than one tenth of the paid-up-capital of the Company upon which all calls or other sums then due have been paid, as at the date carry the right of voting in regard to that matter forthwith proceed to convene an extraordinary meeting of the Company, and in the case of such requisition, the following provisions shall have effect :- (1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the office and may consist of several documents, in like-form each signed by one or more requisitionists. (2) If the Board of Directors of the Company do not proceed within twenty one days from the date of the requisition being so deposited to cause meeting to be called on a day not later than 45 days from the date of deposit of the requisition, the requisitionists may themselves or such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them and not less than one-tenth of the paid up capital of the Company, whichever is less, may convene the meeting, but any meeting so convened shall be held within three months from the date of the deposit of the requisition. (3) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by the Board.

Omission to give notice

54. The accidental omission to give any such notice or the non-receipt of any such notice by any member shall not invalidate the proceedings at any meeting.

Chairman of General Meeting

55. The Chairman of the Board shall be entitled to take the Chair at every general meeting or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as Chairman, the Directors present shall choose another Director as Chairman, and, if no Director shall be present, or if all the Directors present decline to take the chair then, the members present shall choose one of their number to be the Chairman of the meeting.

When, if quorum not present, meetings to be dissolved and when to be adjourned

56. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon such requisition as aforesaid, shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting a quorum is not present, then those members who are present shall be a quorum and may transact the business for which the meeting was called.

Adjournment of meeting

57. (1) The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time and place to place.

Business at adjourned meeting

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

<p>(3) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as was given in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	<p>Notice of adjourned meeting</p>
<p>58. (1) Every question submitted to a meeting shall be decided in the first instance by a show of hands.</p>	<p>How questions to be decided at meetings</p>
<p>(2) At any general meeting a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is, before or on the declaration of the result of the show of hands, demanded by a member present in person or proxy or by duly authorized representative and holding shares in the Company which confers a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or lost, and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the vote recorded in favour of or against that resolution.</p>	<p>Evidence of a resolution where poll not demanded</p>
<p>(3) If a poll is duly demanded, it shall be taken in such manner and at such time (not being later than forty-eight hours from the time when the demand was made) and place as the Chairman of the meeting directs and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.</p>	<p>Poll how to be taken</p>
<p>(4) Subject to the provisions of Section 180 of the Act, any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting and without adjournment.</p>	<p>Poll when to be taken at the meeting</p>
<p>(5) The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.</p>	<p>Business may proceed notwithstanding demand of poll</p>
<p>(6) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.</p>	<p>Chairman's decision conclusive</p>
<p>(7) No objection shall be raised as to the qualification of any voter except at the meeting or adjourned meeting or poll at which the vote objected to is given or tendered and every vote not disallowed at such meeting or poll shall be valid for all other purposes of such meeting or poll whatsoever.</p>	<p>Objection to vote</p>
<p>(8) Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive</p>	<p>Chairman to judge validity</p>

VOTES OF MEMBERS

Vote of Members	59. Upon a show of hands every member present in person or by proxy, or by duly authorized representative shall have one vote and upon a poll every such member shall have one vote for every share held by him.
No voting by proxy on show of hands	60. No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by a representative duly authorized under Section 187 of the Act in which case such representative may vote on a show of hands as if he were a member of the Company
Motion how decided in case of equality of votes	61. In the case of an equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.
Votes in respect of deceased and bankrupt members	62. Any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Board of Directors of his right to such shares, unless the Board of Directors shall have previously admitted his right to such shares of his right to vote at such meeting in respect thereof.
Joint holders	63. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this clause be deemed joint holders thereof.
Votes in respect of shares of members of unsound mind	64. 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 poll, by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy.
No member entitled to vote etc. while call due to the Company	65. No member shall be entitled to be present, or to vote on any question either personally or by proxy at any general meeting or upon a poll, or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the share of such members.
Instrument appointing proxy to be in writing	66. A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a poll. No member shall appoint more than one proxy to attend on the same occasion. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.

67. An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or a form as near thereto as circumstances admit.

Form of Proxy

68. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty-eight) hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll not less than 24 (twenty four) hours before the time appointed for taking of the poll and in default the instrument of proxy shall not be treated as valid.

Instrument appointing proxy to be deposited in office

69. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given provided that no intimation in writing of such death, insanity, revocation or transfer or transmission shall have been received at the office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.

When vote by proxy valid though authority revoked

BOARD OF DIRECTORS

70. The business of the Company shall be managed by the Board of Directors.

Board of Directors

71. *Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and more than fifteen. The Directors are not required to hold any qualification shares.

Number of Directors

72. The Board may appoint an alternate Director recommended for such appointment by a Director other than whole-time Director (hereinafter called the Original Director) in whose place he is being appointed during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An alternate Director appointed under this Article 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 office if and when the original Director returns to that State. If the term of office of the Original Director is determined before he so returns to that State, any provision(s) in the Act or in this Articles for the automatic appointment shall apply to the Original Director and not to the alternate Director.

Appointment of alternate Director

73. Subject to the provisions of Section 260 of the Act, the Board shall have power at any time and from time to time, appoint any other qualified person(s) to be an Additional Director(s), but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 71. Any such additional Director(s) shall hold office only upto the date of the next Annual General Meeting.

Directors' power to appoint additional Director

*This Article has been substituted in place of existing Article 71 by a Special Resolution passed on 2.7.2010

Directors power to fill casual vacancies

74. (a) If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire in the normal course, the resulting casual vacancy may, in default of and subject to these Articles, be filled by the Board of Directors at a meeting of the Board.

(b) Any person 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 as aforesaid but shall be eligible for the reappointment at such Meeting subject to the provisions of the Act.

Retirement by rotation of Directors and ascertaining of Directors retiring by rotation and filling up of vacancies

75. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being, as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The non-retiring Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire. Subject to the provisions of the Act, the Directors to retire by rotation under this Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire, shall, in default of and subject to any agreement among themselves, be determined by lot.

Eligibility for re-election

76. A retiring Director shall be eligible for re-election.

Company to appoint successors

77. Subject to Section 258 of the Act, the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing a person thereto.

Special position of Managing Director

78. The Managing Director shall not, while he continues to hold that office be subject to retirement by rotation in accordance with Article 75. If he otherwise, ceases to hold the office of Director he shall ipso facto and immediately cease to be a Managing Director.

Notice of candidature for office of Director except in certain cases

79. (a) A person other than a retiring Director shall be eligible for appointment to the office of Director at any General Meeting, if he or some member intending to propose him has, not less than fourteen days before the Meeting, left at the Registered Office, a notice in writing under his hand, signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office, as the case may be, alongwith a deposit of five hundred rupees or such sum as may for the time being be prescribed by the Act, which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.

(b) The Company shall inform its members of the candidature of a person for the office of a Director or the intention of a member to propose such person as a candidate for that office, by serving individual notices on the members not less than seven days before the Meeting; Provided that it shall not be necessary for the Company to serve individual notices upon the members as aforesaid, if the Company advertises such candidature or intention, not less than seven days before the Meeting, in atleast two

newspapers circulating in the place where the Registered Office of the Company is located, of which one is published in English and the other in the regional language of that place.

(c) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company, a notice under Section 257 of the Act, signifying his candidature for the office of Director) proposed as a candidate for the office of a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.

80. A person other than

(a) A Director re-appointed after retirement by rotation or immediately on the expiry of his term of office; or

Filing of consent to act as Director

(b) An additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as an additional or alternate Director, immediately on the expiry of his term of office; shall not act as a Director of the Company, unless he has, within thirty days of his appointment, signed and filed with the Registrar his consent in writing to act as such Director.

81. The fee payable to a Director for attending a meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limit of such fee that may be prescribed under the proviso to Section 310 of the Act.

Remuneration of Directors

82. Subject to the provisions of the Act, any Director if called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors), the Board may arrange with such Director for such special remuneration, for such extra services or special exertions or efforts, either by a fixed sum or otherwise, as may be determined by the Board and such remuneration may be either in addition to or in substitution of his remuneration above provided.

Special remuneration to Director going out on the Company's business

83. The Board of Directors may allow and pay to any Director, who is not a resident of the place where the meetings of the Board or Committees thereof or General Meeting of the Company are held and who shall come to such place for the purpose of attending a meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses, in addition to his fee, if any, for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be reimbursed all travelling and other expenses incurred in connection with the business of the Company.

Travelling expenses incurred by Director

84. The continuing Director(s) may act notwithstanding any vacancy in their body, but, if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the continuing Director(s) may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a General Meeting, but for no other purpose.

Directors may act notwithstanding vacancy.

PROCEEDINGS OF THE BOARD

Meeting of the Board	85. A meeting of the Board of Directors shall be held for the dispatch of the business of the Company at least once in every three months and at least four such meetings shall be held in every year.
Director may summon meeting	86. A Director may at any time convene a meeting of the Board of Directors.
Notice of meetings	87. (1) Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director. (2) Every officer of the Company, whose duty is to give notice as aforesaid and who fails to do so shall be punishable with fine which may extend to one hundred rupees.
Quorum for meetings	88. The quorum for a meeting of the Board of Directors of the Company shall be one third of its total strength (total strength as determined by the Act and any fraction in that one third being rounded off as one) or 2 Directors, whichever is higher. 89. If a meeting of the Board cannot be held for want of a quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix.
Nomination of Chairman This Article has been substituted in place of existing Article 90 by a Special Resolution passed on 5.5.2004 Chairman of Board's meeting	90. So long as Tata Sons Limited and its associates hold at least 26% of the paid up equity share capital of the Company, Tata Sons Limited will have the right to nominate the Chairman of the Board of Directors. In the absence of a nomination by Tata Sons Limited, for any period, the Directors may elect from amongst themselves a Chairman of their meetings and determine the period for which he is to hold such office.
Power of Quorum	91. A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretion by or under the Articles of Company for the time being vested in or exercisable by the Board of Directors generally.
Questions at the Board meeting how to be decided	92. All decisions, actions and resolutions of the Board shall be adopted by the affirmative vote of a simple majority of the members of the Board and in case of an equality of votes, the Chairman of the meeting shall have a second or a casting vote.
Delegation of powers to committees	93. The Board may, subject to the restrictions laid down in Section 292 of the Act, delegate any of their powers to Committees consisting of such number of their body as they think fit, and may, from time to time, revoke such delegation formed, shall in the exercise of the power so delegated, conform to any regulation that may, from time to time, be imposed upon it by the Board of Directors. The proceedings of such a Committee shall be placed before the Board of Directors at its next meeting.

94. A Committee of Directors may elect a Chairman of their meetings, if no such Chairman is elected or if at any meeting the Chairman is not present within 15 minutes after the time appointed for holding the same, the members present may choose one of their number to be Chairman of the meeting.

Chairman of meeting of committee

95. All acts done by any meeting of the Board of Directors, or of a Committee of Directors, or by any person acting as a Director shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be Director. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

When acts of Directors or Committee valid notwithstanding defective appointment

96. Subject to the provisions of Section 292 of the Act, resolutions of the Board can be passed by circulation and they shall be as valid and effectual as if they have been passed at a meeting of the Board of Directors duly called and constituted. No resolution shall, however, be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be), and to all other Directors or members at their usual address in India, and has been approved by such of the Directors as are then in India or by a majority of such of them, as are entitled to vote on the resolution.

Resolution without Board Meeting valid

POWERS OF DIRECTORS

97. Subject to the provisions of the Act, the business of the Company shall be managed by the Directors who may pay all expenses incurred in setting up and registering the Company and who may exercise all such powers and all such acts and things as the Company is authorized to exercise and do. Provided that the Directors shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other act or by the Memorandum or Articles of the Company or otherwise, to be exercised or done by the Company in general meeting. Provided further that in exercising any such power or doing any such act or thing, the Directors shall be subject to the provisions contained in that behalf in the Act or any other act, or in the Memorandum or Articles of the Company, or in any regulations made by the Company in general meeting. No regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

General powers of the Company vested in the Board of Directors

98. (1) Subject to the provisions of the Act, the Board may, from time to time, delegate such of its powers as it may think fit to the Chairman, and/or Managing Director(s), subject to such terms, conditions and restrictions as it may deem necessary to impose and may, from time to time, revoke, amend or vary all or any of the powers so delegated.

Delegation of Powers

(2) The Chairman and/or Managing Director(s) may sub-delegate any of the powers delegated to him by the Board to any officer or other employees of the Company.

Specific Powers of the Board of Directors	99. Without prejudice to the general powers conferred by Article 85 and the powers conferred by these Articles, but subject to the provisions of Sections 293, 293-A, and 294 of the Act, the Board of Directors shall have the following powers, that is to say power :
To acquire property	(1) To purchase, take on lease or otherwise acquire for the Company property, rights or privileges which the Company is authorized to acquire at such price, and generally on such terms and conditions as they think fit.
To pay for property, debentures, etc.	(2) To pay for any property, rights or privileges acquired by, or services rendered to the Company either wholly or partially in cash or in shares, bonds, debentures, or other securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bond, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
To secure contracts by mortgage	(3) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they may think fit.
To appoint officers etc.	(4) To create posts of, to appoint persons and at their discretion, remove or suspend general managers, managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services, as they may, from time to time, think fit, and to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they think fit.
To appoint trustees	(5) To appoint any person or persons (whether incorporated or not), to accept and hold in trust for the Company, any property belonging to the Company or in which it is interested or for any other purposes, and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
To bring and defend action	(6) To institute, conduct, defend compound or abandon, any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any claims or demands by or against the Company.
To refer to arbitration	(7) To refer any claims or demands by or against the Company to arbitration and observe and perform the awards.
To give receipt	(8) To make and give receipts, release, and other discharges for money payable to the Company, and for the claims and demands of Company.

- (9) To determine the person(s) who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents. To authorize acceptance etc.
- (10) From time to time to provide for the management of the affairs of the Company outside the areas which in the context includes the townships and sites of operations of the Company in such manner as they think fit, and in particular to appoint any person to be the attorney or agent of the Company with such powers (including power to sub-delegate) and upon such terms as may be thought fit. To appoint attorney
- (11) To invest in Reserve Bank/State Bank of India/any nationalized bank or in such securities and deal with any of the moneys of the Company upon such investments authorized by the Memorandum of Association of the Company (not being shares in this Company) and in such manner as they think fit and from time to time to vary or realize such investments. To invest moneys
- (12) To execute in the name and on behalf of the Company in favour of any Director or other persons who may incur or be about to incur any personal liability for the benefit of the Company such mortgage of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon. To give security by way of indemnity
- (13) To give to any person employed by the Company a commission on the profits of any particular business transaction or a share in the general profits of the Company, and such commission or share of profit shall be treated as part of the working expenses of the Company. To give percentage
- (14) From time to time make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants. To make bye-laws
- (15) To give, award, or allow any bonus, pension, gratuity or compensation to any employee of the Company or his widow, children or dependants, that may appear to the Board of Directors just or proper, whether such employee, his widow, children or dependants have or have not a legal claim upon the Company. To give bonus
- (16) Before declaring any dividend to set aside such portion of the profits of the Company as they may think fit, to form a fund to provide for such pensions, gratuities or compensation or to create any provident or benefit fund in such manner as the Board of Directors may deem fit. To create Provident Fund
- (17) From time to time and at any time to establish any Managing Committee for managing any of the affairs of the Company in any specified locality in India, or out of India, and to appoint any persons(s) to be member(s) of such Managing Committee and to fix their remuneration and from time to time and at any time to delegate to any person(s) so appointed any of the powers, authorities and discretion for the time being vested in the Board of Directors other than the power to make call; and to authorize the members for the time being of any such Managing Committee or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any To establish Managing Committee

such appointment or delegation may be made in such terms, and subject to such conditions as the Board of Directors may think fit and the Board of Directors may at any time remove any person so appointed and may annul or vary any such delegation.

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| To make contracts | (18) To enter into all such negotiations and contracts and rescind and vary all such contracts, execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any, of the matters aforesaid or otherwise for the purposes of the Company; and |
| To establish institution | (19) To establish, maintain, support and subscribe to any society, etc. charitable, benevolent, public or general useful objects or any institution, society, or club or fund which may be for the benefit of the Company or its employees or may be connected with any town or place where the Company carries on its business or any object in which the Company may be interested. |
| To borrow or raise or secure the payment of money | (20) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by executing mortgages and the issue of debentures, or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital and to purchase, redeem, or pay off any such securities. |

THE SEAL

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| Seal | 100. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least one Director or such other person as the Board may appoint for the purpose; and the said Director or the person aforesaid shall sign every instrument to which the seal of the Company is so affixed in his presence. |
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RESERVES AND DIVIDENDS

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| Reserve Fund | 101. Subject to Section 205 of the Act, the Board may, before recommending any dividend, set apart out of the profits of the Company such sums as they think proper as a reserve fund to meet contingencies or for equalizing dividends, or for special dividends, or for repairing, improving and maintaining any of the property of the Company, and for amortisation of capital and for such other purposes as the Board of Directors shall, in their absolute discretion, think conducive to the interest of the Company, and may invest the several sums so set aside upon such investments, (other than shares of the Company), as they may think fit from time to time to deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company, and may divide the reserve funds into such special funds, as they think fit and employ the reserve funds or any part thereof in the business of the Company and that without being bound to keep the same separate from the other assets. |
| Dividend | 102. The profits of the Company available for payment of dividend subject to any special rights relating thereto, created or authorized to be created by these presents and subject to the provisions of these presents as to the reserve fund and amortisation of capital, shall, be divisible among the members in proportion |

to the amount of capital paid up by them respectively, provided always that (subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.

103. The Board may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Interim Dividend

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

Capital paid up in advance

105. The Company, in general meeting, may declare a dividend to be paid to the members according to their rights and interests in the profits but no dividend shall exceed the amount recommended by the Board of Directors.

Declaration of dividends

106. No dividend shall be declared or paid by the Company for any financial year except out of profits of the Company for that year arrived at after providing for the depreciation in accordance with the provisions of sub-section(2) of Section 205 of the Act or out of profits of the Company for any previous financial year or years arrived at after providing for the depreciation in accordance with those provisions and remaining undistributed or out of both. No dividend shall carry interest against the Company.

Dividends out of profits only and not to carry interest

107. The Board may retain any dividends in respect of shares on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with all the provisions of Section 205-A of the Act in respect of unclaimed or unpaid dividend.

Debts may be deducted

108. Any one of several persons who are registered as the joint holders of any share, may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.

Dividends to the joint holders

109. Subject to the provisions of Section 205 of the Act, no dividend shall be payable except in cash.

Dividends are to be paid in cash

110. Unless otherwise directed, any dividends may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled or in the case of joint holders, to the registered address of that one whose name stands first in the register in respect of the joint holding; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

Payment by post

111. Notice of the declaration of any dividend, whether interim or otherwise, shall be given to the holders of registered shares in the manner hereinafter provided.

Notice of dividends

CAPITALISATION

Power to capitalize

112. (1) Any General Meeting may upon the recommendation of the Directors, resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any of the Company's Reserve Accounts or to the credit of Profit and Loss Account or any Capital Redemption Reserve Account or in the hands of the Company and available for dividend or representing premiums received on the issue of shares standing to the credit of the Share Premium Account be capitalized and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the footing that they become entitled thereto as capital and that all or any part of such capitalized funds shall not be paid in cash to but shall be applied subject to the provisions contained in clause (2) hereof on behalf of such member either in or towards -

(a) paying up any amounts for the time being remaining unpaid on any share held by such members respectively; or

(b) paying up in full the unissued shares or debentures of the Company to be allotted and distributed credited as fully paid up to and amongst such members in the proportions aforesaid; or

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b); and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the capitalized sum.

(2) (a) Any moneys, investments or other assets representing premium received on the issue of shares and standing to the credit of Shares Premium Account;

(b) if the Company shall have redeemed any Redeemable Preference Shares, all or any part of any Capital Redemption Fund arising from the redemption of such shares; may by resolution of the Company be applied only in paying up in full or in part any new share or any shares then remaining unissued to be issued to such member of the Company as the General Meeting may resolve upto an amount equal to the nominal amount of the shares so issued.

(3) Any General Meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company not subject to charge for income tax be distributed among the members on the footing that they receive the same as capital.

(4) Whether such resolution under this Article shall have been passed, the Board shall,

(a) make all appropriations and applications of the undivided profit resolved to be capitalized thereby and all allotments and issue of fully paid shares or debentures, if any, and

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

(5) The Board shall have full power :-

(a) to make such provisions by the issue of fractional certificate or by payment in cash or otherwise as it thinks fit, for the case of shares or debentures becoming distributable in fractions and that fraction of less value than Re.1 may be disregarded and also;

(b) to authorize, 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 debentures to which they may be entitled upon such capitalization, or (as the case may require) for the payment of the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalized, or the amounts or any part of the amounts remaining unpaid on their existing shares and may vest any such cash or specific assets in trustees upon the trust for the person entitled to the dividend or capitalized fund as may seem expedient to the Board.

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

ACCOUNTS

113. The Company shall cause to be kept proper books of accounts with respect to:- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place; (b) all sales and purchases made by the Company;(c) the assets and liabilities of the Company.

Accounts to be kept

114. The books of account shall be kept at the Registered Office of the Company or such other place in India as the Board of Directors shall think fit and shall be open to inspection by the Directors during business hours.

Inspection of Accounts Books

115. The Board of Directors shall, from time to time, determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to inspection of members (not being Directors) and no member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board of Directors or by the Company in general meeting.

Inspection by members

116. Subject to Section 210 (3) of the Act, at the First Annual General Meeting and subsequently at every Annual General Meeting, the Board shall lay before the Company, a Balance Sheet and Profit and Loss Account in the case of the first account since the incorporation of the Company, and in any other case since the preceding account made upto a date not earlier than the date of the meeting by more than six months or where an extension of time has been granted for holding the meeting by more than six months and the extension so granted.

Annual accounts and balance sheets

Annual report of the Board of Directors

117. The Board shall make out and attach to every balance sheet a report with respect to the state of the Company's affairs, the amount, if any, which they recommended should be paid by way of dividend and the amount, if any, which they propose to carry to the Reserve Fund, General Reserve or Reserve Account shown specifically on the balance sheet or to a Reserve Fund, General Reserve or Reserve Account to be shown specifically in a subsequent balance sheet. The report shall be signed by the Chairman of the Board of Directors on behalf of the Directors, authorised in that behalf by the Board, and when he is not so authorised, shall be signed by such number of Directors as are required to sign the balance sheet and the profit and loss account by virtue of sub-sections (1) and (2) of Section 215 of the Act.

Content of profit and loss account

118. Forms of Balance Sheet and Profit and Loss account shall be in accordance with the provisions of Section 211 of the Act. The Profit and Loss Account shall in addition to the matters referred to in Section 211 of the Act show, arranged under the most convenient heads, the amount of gross income, distinguishing the several sources from which it has been derived and the amount of gross expenditure distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account so that just balance of profit and loss may be laid before the meeting, and in cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such item shall be stated, with addition of the reason why only a portion of such expenditure is charged against the income of the year.

Balance sheet and profit and loss account to be sent to members

119. The Company shall send a copy of such Balance Sheet and Profit and Loss Account together with a copy of the Auditor's Report to the registered address of every member of the Company and to every holder of debenture/bonds issued by the Company in the manner in which notices are to be given hereunder at least twenty-one days before the meeting at which it is to be laid before the members of the Company and shall deposit a copy at the Registered Office of the Company for inspection of the members of the Company during a period of at least twenty-one days before that meeting.

Directors to comply with Sections 209 to 222 of the Act

120. The Board shall, in all respects, comply with the provisions of Sections 209 to 222 of the Act, or any statutory modification thereof for the time being in force as may be applicable to the Company.

AUDIT

Accounts to be audited annually

121. Once at least in every financial year the accounts of the Company shall be examined and the correctness of the Profit and loss account and Balance Sheet ascertained by one or more auditors.

Appointment of auditors

122. The auditor/auditors of the Company shall be appointed or re-appointed by the Company in its general meeting and his/their remuneration, rights and duties shall be regulated by Sections 224 to 233 of the Act.

123. The auditors of the Company shall be entitled to receive notice of and to attend any general meeting of the Company at which any accounts which have been examined or reported on by them are to be laid down before the Company and may make any statement or explanation they desire with respect to the accounts.

Auditor's right to attend meeting

124. Every account of the Company when audited and approved by a General Meeting shall be conclusive, except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period, the account shall forthwith be corrected and henceforth shall be conclusive.

When accounts to be deemed finally settled

NOTICE

125. A notice may be given by the Company to any member either personally or by sending it by post to him to his registered address; if he has no registered address, to the address, if any, supplied by him to the Company for the giving of notice to him.

How notices to be served on members

126. A holder of registered shares who has no registered place of address, may, from time to time, notify in writing to the Company his address, which shall be deemed his registered place of address within the meaning of the last preceding Article.

Notifying registered place of address

127. If a member has no registered address in India, and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

Service on members having no registered address

128. A notice may be given by the Company to the joint holders of share by giving the notice to joint holder named first in the register of the share.

Notice to joint holders

129. A notice may be given by the Company to the person Deceased or bankrupt entitled to share in consequence of the death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name, or by the title of representative of the deceased, or assignee of the insolvent or by any like description, at the address (if any) supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by giving notice in any manner in which the same might have been given if the death or insolvency had not occurred.

How notice to be given to

130. Notice of every general meeting shall be given in the same manner hereinbefore authorised to (a) every member of the Company except those members who, having no registered address, have not supplied to the Company an address for giving of notice to them, and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who, but for his death or insolvency, would be entitled to receive notice of the meeting, provided the Company has been given due notice.

To whom notice of general meeting to be given

Advertisement	131. Subject to the provisions of the Act any document required to be served or sent by the Company on or to the members or any of them, and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in one daily English and one daily vernacular newspaper circulating in Mumbai.
Transferees bound by prior notice	132. Every person who by operation of the law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share, which previous to his name and address and title to the share being notified to and registered by the Company, shall be duly given to the person from whom he derives his title to such share.
How notice to be signed	133. The signature to any notice to be given by the Company may be written or printed.
How time to be counted	134. Where a given number of days' notice or notices extending over any other period is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number or other period.

SECRECY

Secrecy clause	135. Every Director, Secretary, Trustee for the Company, its members, or debenture-holders, member of a committee, officer, servant, agent, accountant, or other person employed in or about the business of the Company shall, if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any general meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions contained in these Articles.
Restriction on entry upon property	136. No shareholder or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company without the permission of the Board or to require discovery of or any information respecting any detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.

INDEMNITY AND RESPONSIBILITY

Directors' and others' rights to indemnity	137. (a) Subject to the provisions of Section 201 of the Act, every Director, Manager, Auditor, Secretary or other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses
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and expenses (including travelling expenses) which any such Director, Manager, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him or them as such Director, Manager, Officer or servant or in any other way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

(b) Subject as aforesaid every Director, Manager or Officer of the Company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in which judgement is given in his or their favour or in which he is or they are acquitted or in connection with any application under Section 633 of the Act in which relief is given to him or them by the Court.

138. No Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer of the Company or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by the order of the Board of Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any persons with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error or judgement or oversight on his part or for any other loss, damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own negligence, default, misfeasance, breach of duty, or breach of trust.

Individual responsibility of
Directors

WINDING UP

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

Distribution of assets on
winding up

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

Name, address, description and occupation of each Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Signature of Witness and his name, address, description and occupation
<p>1. Bhalchandra Sitaram Bhalerao s/o Sitaram V. Bhalerao 402, Helen Haven 132/133, St. Cyril Road Bandra (W) Bombay – 400050</p> <p>Occ: Business Executive</p>	<p>1 (One)</p>	<p>Sd/-</p>	<p>Vijay Swamirao Lokur S/o. Swamirao 9/14, Sion (East) Bombay 400 022. Occ. Company Law Consultant</p>
<p>2. Pervaz Maneckshaw Poonawala 8, Cama Building Cama Road Andheri (W) Bombay – 400058</p> <p>Occ: Business Executive</p>	<p>1 (One)</p>	<p>Sd/-</p>	
	<p>2 (Two)</p>		

Bombay, January 2, 1995

TATA CONSULTANCY SERVICES LIMITED

Special Resolution passed at the Extra-Ordinary General Meeting of the Company held on 7th October 2002:

“RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the regulations contained in the draft Articles of Association placed before the meeting be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things necessary or expedient to give effect to this resolution.”

TATA CONSULTANCY SERVICES LIMITED

Ordinary Resolution passed at the Annual General Meeting of the Company held on May 5, 2004.

“RESOLVED THAT subject to the provisions of Section 94 of the Companies Act, 1956 and Article 10 of the Company’s Articles of Association, 4,00,00,000 equity shares of Rs. 10/- each of the Company be sub-divided into 40,00,00,000 equity shares of Re. 1/- each and that clause V of the Memorandum of Association of the Company be altered accordingly.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things including crediting of 36,44,00,020 equity shares of Re. 1/- each to the shareholders’ demat accounts maintained with the Depository Participants in lieu of 3,64,40,002 equity shares of Rs. 10/- each held by them and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board of Directors to any Director(s) or to the Company Secretary, to give effect to this Resolution.”

Ordinary Resolution passed at the Annual General Meeting of the Company held on May 5, 2004.

“RESOLVED THAT the Authorised Capital of the Company be increased from Rs. 40,00,00,000 (Rupees Forty crores) divided into 40,00,00,000 (Forty crores) equity shares of Re. 1/- each to Rs. 60,00,00,000 (Rupees Sixty crores) divided into 60,00,00,000 (Sixty crores) equity shares of Re. 1/- each by the creation of 20,00,00,000 (Twenty crores) equity shares of Re. 1/- each and that Clause V of the Memorandum of Association of the Company be altered accordingly.”

Special Resolution passed at the Annual General Meeting of the Company held on May 5, 2004

“RESOLVED THAT pursuant to the provisions of Section 31 of the Companies Act, 1956, the Articles of Association of the Company be amended as under:

a) Article 3 of the Articles of Association be substituted by the following Article:-

‘3. Share Capital

The present Authorised Share Capital of the Company is Rs. 60,00,00,000 (Rupees Sixty Crores) divided into 60,00,00,000 equity shares of Re. 1/- each.’

b) A new Article 21A be inserted after Article 21 as follows:

‘21A. Offers for sale of equity shares by Tata Sons Limited and its associates

In the event Tata Sons Limited and their associates desire to make an offer for sale of their equity holding in the Company either along with a public offering by the Company or separately, the Company shall, so long as the resultant equity holding of Tata Sons Limited and their associates does not as a consequence fall below 26% , co-operate with and assist Tata Sons Limited and their associates to make such offer for sale and if such shares are to be sold in a jurisdiction where the shares of the Company are not already listed/registered, the Company shall also assist in listing/registering of its shares in such jurisdiction.’

c) Article 90 of the Article of Association be substituted by the following Article:-

‘90 Nomination of Chairman

So long as Tata Sons Limited and its associates hold at least 26% of the paid up equity share capital of the Company, Tata Sons Limited will have the right to nominate the Chairman of the Board of Directors. In the absence of a nomination by Tata Sons Limited, for any period, the Directors may elect from amongst themselves a Chairman of their meetings and determine the period for which he is to hold such office’.”

TATA CONSULTANCY SERVICES LIMITED

Special Resolution passed at the Annual General Meeting of the Company held on July 19, 2005

“RESOLVED that pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be amended by inserting the following sentence at the end of Article 38:

‘The registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.’ ”

TATA CONSULTANCY SERVICES LIMITED

Ordinary Resolution passed at the Annual General Meeting of the Company held on June 29, 2006.

“RESOLVED that pursuant to the provisions of section 94 and other applicable provisions, if any, of the companies Act 1956, the Authorised Share Capital of the Company be increased from Rs. 60,00,00,000 divided into 60,00,00,000 Equity Shares of Re 1/- each to Rs. 120,00,00,000 divided into 120,00,00,000 Equity Shares of Re. 1/- each by the creation of 60,00,00,000 Equity Shares of Re. 1/- each and that Clause V of the Memorandum of Association of the Company be altered accordingly.”

Special Resolution passed at the Annual General Meeting of the Company held on June 29, 2006.

“RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Article 3 of the Articles of Association of the Company be substituted by the following Article:

‘3. The present Authorised Share Capital of the Company is Rs. 120,00,00,000/- (Rupees One hundred and twenty crores) divided into 120,00,00,000 Equity Shares of Re. 1/- each’”.

Ordinary Resolution passed by way of Postal Ballot on March 17, 2008.

“RESOLVED THAT in accordance with the provisions of Sections 16 and 94 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Authorised Share Capital of Rs.120,00,00,000/- (Rupees One Hundred and Twenty Crores only) divided into 120,00,00,000 (One Hundred and Twenty Crores) equity shares of Re.1/- (Rupee One only) each be increased to Rs. 220,00,00,000/- (Rupees Two Hundred and Twenty Crores only) divided into 120,00,00,000 (One Hundred and Twenty Crores) Equity Shares of Re.1/- (Rupee One only) each and 100,00,00,000 (One Hundred Crores) Redeemable Preference Shares of Re.1/- (Rupee One only) each by the creation of 100,00,00,000 (One Hundred Crores) Redeemable Preference Shares of Re.1/- (Rupee One only) each and that Clause V of the Memorandum of Association of the Company be altered accordingly by substituting the following new Clause V in place of the existing Clause V:

V.* The present authorized capital of the Company is Rs. 220,00,00,000/-(Rupees Two Hundred and Twenty Crores only) divided into 120,00,00,000 (One Hundred and Twenty Crores) Equity Shares of Re.1/- (Rupee One only) each and 100,00,00,000 (One Hundred Crores) Redeemable Preference Shares of Re.1/- (Rupee One only) each with power to increase or reduce the capital of the Company and / or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors of the Company or by the Company in General Meeting, as applicable, in conformity with the provisions of the Companies Act, 1956 (“Act”) and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being.

Special Resolution passed by way of Postal Ballot on March 17, 2008.

“RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered in the following manner :

(i) Substitute the following Article in place of the existing Article 3.

‘3. The present Authorised Share Capital of the Company is Rs. 220,00,00,000/- (Rupees Two hundred and Twenty crores only) divided into 120,00,00,000 (One Hundred and Twenty crores) Equity Shares of Re.1/-

(Rupee One only) each and 100,00,00,000 (One Hundred crores) Redeemable Preference Shares of Re.1/- (Rupee One only) each.’

(ii) Insert the following Article as Article 5A after the existing Article 5:

‘5A. Rights attached to Redeemable Preference Shares

The rights, privileges and conditions attached to the Redeemable Preference Shares of Re. 1/- (Rupee One only) each shall be as follows:

- (i) The Redeemable Preference Shares shall confer on the holders thereof, the right to a fixed cumulative preferential dividend on the capital for the time being paid-up thereon at a rate as may be determined by the Directors at the time of issue. The Redeemable Preference Shares shall also entitle the holders thereof, to a right to receive a variable non-cumulative dividend on such basis as may be determined by the Directors at the time of issue.
- (ii) The Redeemable Preference Shares shall rank for capital and dividends (including all dividends undeclared upto the commencement of winding-up) and for repayment of capital in a winding-up, *pari passu inter se* and in priority to the Equity Shares of the Company, but shall not confer any further right on the holders thereof to participate in the profits or assets of the Company except as mentioned above.
- (iii) The Redeemable Preference Shares shall not confer any right on the holders thereof to participate in any offer or invitation by way of rights or otherwise to subscribe for additional shares in the Company; nor shall the Redeemable Preference Shares confer on the holders thereof any right to participate in any issue of bonus shares or shares issued by way of capitalization of reserves.
- (iv) The Redeemable Preference Shares shall be redeemable at par at the end of six years from the date of allotment but may be redeemed at any time after three years from the date of allotment at the option of the holders thereof.
- (v) The rights and the terms attached to the Redeemable Preference Shares may be modified or dealt with by the Directors in accordance with the provisions of these Articles.’”

Ordinary Resolution passed by way of Postal Ballot on June 12, 2009

“RESOLVED THAT in accordance with the provisions of Sections 16 and 94 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Authorised Share Capital of Rs.220,00,00,000/- (Rupees Two Hundred and Twenty Crore only) divided into 120,00,00,000 (One Hundred and Twenty Crore) Equity Shares of Re.1/- (Rupee One only) each and 100,00,00,000 (One Hundred Crore) Redeemable Preference Shares of Re.1/- (Rupee One only) each be increased to Rs.325,00,00,000 (Rupees Three Hundred and Twenty Five Crore only) divided into 225,00,00,000 (Two Hundred and Twenty Five Crore) Equity Shares of Re.1/- (Rupee One only) each and 100,00,00,000 (One Hundred Crore) Redeemable Preference Shares of Re.1/- (Rupee One only) each by creation of 105,00,00,000 (One Hundred and Five Crore) Equity Shares of Re.1/- (Rupee One only) each and that Clause V of the Memorandum of Association of the Company be altered accordingly by substituting the following new clause V in place of the existing clause V:

‘V. The present Authorized Share Capital of the Company is Rs.325,00,00,000/- (Rupees Three Hundred and Twenty Five Crore only) divided into 225,00,00,000 (Two Hundred and Twenty Five Crore) Equity Shares of Re.1/- (Rupee One only) each and 100,00,00,000 (One Hundred Crore) Redeemable Preference Shares of Re.1/- (Rupee One only) each with power to increase or reduce the capital of the Company and / or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors of the Company or by the Company in General Meeting, as applicable, in conformity with the provisions of the Companies Act, 1956 (“Act”) and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being.’ ”

Special Resolution passed by way of Postal Ballot on June 12, 2009:

“RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered by substituting the following new Article in place of the existing Article 3 thereof:

‘3. The present Authorised Share Capital of the Company is Rs.325,00,00,000 (Rupees Three hundred and Twenty Five Crore only) divided into 225,00,00,000 (Two Hundred and Twenty Five Crore) Equity Shares of Re.1/- (Rupee One only) each and 100,00,00,000 (One Hundred Crore) Redeemable Preference Shares of Re.1/- (Rupee One only) each.’ ”

Special Resolution passed at the Annual General Meeting of the Company held on July 2, 2010

“RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, if any, Article 71 of the Articles of Association of the Company be substituted by the following Article:

’71. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and more than fifteen. The Directors are not required to hold any qualification share’.”

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.741 OF 2005
CONNECTED WITH
COMPANY APPLICATION NO.519 OF 2005

In the matter of The
Companies Act, 1956 ;

And

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

And

In the matter of :
Tata Consultancy Services Ltd.
a Company incorporated under
the provisions of the
Companies Act, 1956 ;

And

In the matter of Scheme of
Amalgamation of Tata Infotech
Ltd. (Transferor Co.) with
Tata Consultancy Services
Ltd. (Transferee Co.) and
their respective members
and creditors.

Tata Consultancy Services Ltd. ..Petitioner Co.

Mr. Janak Dwarkadas with Mr. Sanjay Jain and Mr. Cyrus
Bharucha i/b. M/s. AZB & Partners for the Petitioners.

Mr. C.J. Joy for the Regional Director.

CORAM : S.J. VAZIFDAR, J.
DATED : 27TH JANUARY, 2006

P.C. :

The Petition is filed seeking sanction of a



scheme of amalgamation between the Petitioner ~~2335~~ Consultancy Services Ltd., i.e. the transferee company and Tata Infotech Ltd., i.e. the transferor company. The requirements and procedures have been complied with.

2. The Regional Director in his affidavit stated that the scheme is not prejudicial to the interest of the creditors and the shareholders.

3. There is no objection in the present Petition. However, in Company Petition No.740 of 2005 an objection has been taken by one D'Souza. The same has been dealt with in a separate order passed in Company Petition No.740 of 2003.

4. Mr.Dwarkadas, the learned Senior Counsel appearing on behalf of the Petitioners reiterates the statements and undertakings given on behalf of the transferor and the transferee companies and their Directors in the present Petition as well. The same are accepted as statements and undertakings in this Petition as well.

5. In the circumstances, the Petition is made absolute in terms of prayers (a) to (p).



HIGH COURT, BOMBAY

294884

:3:

Costs for the Regional Director is fixed at
Rs. 2500/-

Filing and issuance of drawn up order is
dispensed with.

8. All concerned to act on an ordinary copy of this
order duly authenticated by the Company Registrar.

Certified copy expedited.

JUDICATOR
am

TRUE-COPY

M. D. Narvekar
M. D. NARVEKAR

COMPANY REGISTRAR

HIGH COURT (O.S.)

BOMBAY

Sd/-

SCHEME OF AMALGAMATION
OF
TATA INFOTECH LIMITED
WITH
TATA CONSULTANCY SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 391 and 394 OF THE COMPANIES ACT, 1956

PREAMBLE

This Scheme of Amalgamation provides for the amalgamation of Tata Infotech Limited, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 216A, Manish Commercial Centre, Dr. Annie Besant Road, Worli, Mumbai, 400 030 ("Transferor Company") with Tata Consultancy Services Limited, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Bombay House, 24, Homi Mody Street, Mumbai, 400 001, ("Transferee Company"), pursuant to the relevant provisions of the Companies Act, 1956.

1. DEFINITIONS

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

- 1.1. "Act" or "the Act" means the Companies Act, 1956, or any modifications or re-enactment thereof from time to time;
- 1.2. "Appointed Date" means April 1, 2005 or such other date as may be mutually agreed by the Board of Directors of the Transferor Company and the Transferee Company;
- 1.3. "Effective Date" means the last of the dates specified in Clause 18 of this Scheme;
- 1.4. "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of Issue of Equity Shares of the Transferee Company to the shareholders of the Transferor Company in terms of this Scheme;
- 1.5. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 17 of this Scheme or any modifications approved or directed by the High Court of Judicature at Bombay;
- 1.6. "Transferee Company" means Tata Consultancy Services Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Bombay House, 24, Homi Mody Street, Mumbai, 400 001, India;



- 1.7. "Transferor Company" means Tata Infotech Limited, a company incorporated under the Companies Act, 1956 having its registered office at 216A, Manish Commercial Centre, Dr. Annie Besant Road, Worli, Mumbai, 400 030, India.

2. NATURE OF BUSINESS

2.1. Nature of Business of Transferor Company

Transferor Company is, *inter alia*, engaged in the business of information technology services providing systems integration, manufacturing and education services.

2.2. Nature of Business of Transferee Company

The Transferee Company is, *inter alia*, engaged in the business of information technology services and information technology enabled services.

3. CAPITAL STRUCTURE

- 3.1. As on March 31, 2005, the share capital of the Transferor Company is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
1,90,00,000 equity shares of Rs. 10/- each	19,00,00,000
	<u>19,00,00,000</u>
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
1,83,80,880 equity shares of Rs. 10/- each, fully paid-up, Includes 1,52,54,880 shares issued as fully paid up bonus shares by capitalization of reserves.	18,38,08,800
	<u>18,38,08,800</u>



- 3.2. As on March 31, 2005, the share capital of the Transferee Company is as under:

Particulars	Amount (In Rupees.)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
60,00,00,000 equity shares of Re. 1/- each	60,00,00,000
	<u>60,00,00,000</u>
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
48,01,14,809 equity shares of Re. 1/- each, fully paid-up	48,01,14,809
	<u>48,01,14,809</u>



4. BACKGROUND AND RATIONALE FOR THE SCHEME

- 4.1. The background and circumstances which justify the said Amalgamation are, *inter-alia*, as follows:-
- 4.1.1 The Transferor Company and the Transferee Company are companies within the same group of companies ("Group"). A consolidation of the Transferor Company and the Transferee Company by way of amalgamation would therefore lead to a more efficient utilization of capital and create a stronger base for future growth of the amalgamated entity.
- 4.1.2 The information technology industry is maturing and the offshore outsourcing phenomenon is now entering the next phase of evolution with consolidation required at both ends i.e. the customer as well as the vendor. Over time, client relationships with partners/ vendors have evolved from one-off, project based contracts involving low-end activities to longer term engagements involving multiple and more complex tasks and at times requiring significant investments by the vendor. Clients are consolidating their outsourcing demands, preferring to split their outsourcing needs between two to three key large vendors that have the required scale and the depth of skills to meet all their complex outsourcing requirements. The supply side of the industry will involve the beginning of consolidation as vendors engage in acquiring new skill sets and or strengthening the existing scale of operations. It is expected that with the combination of the knowledge and expertise, employee skill base and customer base of both the organisations, the amalgamated entity will be able to more effectively address the requirements of customers worldwide. The said amalgamation would therefore be to the advantage of both the Transferor Company and the Transferee Company.
- 4.1.3 The proposed amalgamation, in addition to offering a strong financial structure to all creditors including the creditors of the Transferor Company, would lead to greater cohesiveness in gaining market share, increased brand and customer recognition, a more efficient utilization of resources resulting in cost and operational efficiencies, and create a stronger base for the future growth of the amalgamated entity which will be beneficial for all its stakeholders.

5. AMALGAMATION OF COMPANIES

- 5.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme, and, pursuant to the provisions of Sections 391 and 394 and other applicable provisions of the Act, all the assets and debts, outstandings, credits, liabilities, duties and obligations whatsoever concerning the Transferor Company as on the Appointed Date shall, accordingly, stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in the Transferee Company, as under. Without prejudice to the generality of the above, all benefits including under income tax, excise, sales tax (including deferment of sales tax), benefits for and under STPI registrations etc., to which the Transferor Company are entitled to in terms of the various statutes and/or schemes of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 5.1.1 In respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery; the same may be so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company to the end and intent that the ownership and property therein passes to the Transferee Company on such handing over in pursuance of the provisions of Section 394 of the Act.



- 5.1.2 In respect of such of the assets belonging to the Transferor Company other than those referred to in sub-clause 5.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and / or be deemed to be transferred to and stand vested in the Transferee Company pursuant to the provisions of Section 394 of the Act.
- 5.1.3 In relation to the assets belonging to the Transferor Company, which require separate documents of transfer, the parties will execute the necessary documents, as and when required.
- 5.1.4 The transfer and vesting of all the assets of the Transferor Company, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and/or encumbrances shall be confined only to the relative assets of the Transferor Company or part thereof on or over which they are subsisting on transfer to and vesting of such assets in the Transferee Company and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security.
- 5.1.5 In respect of the debts, liabilities, duties and obligations of the Transferor Company, it is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.
- 5.2. For the removal of doubt, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstandings as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

6. LEGAL PROCEEDINGS

- 6.1. If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against the Transferor Company are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

7. CONTRACTS AND DEEDS

- 7.1. All contracts, deeds, bonds, agreements, arrangements, incentives, licences, engagements registrations (including STPI registrations) and other instruments of whatsoever nature to which the Transferor Company are parties or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.



- 7.2. The Transferee Company shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this Clause and to the extent that the Transferor Company is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.

8. SAVING OF CONCLUDED TRANSACTIONS

- 8.1. The transfer of the assets and liabilities of the Transferor Company under Clause 5 above, the continuance of Proceedings under Clause 6 above and the effectiveness of contracts and deeds under Clause 7 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

9. EMPLOYEES

- 9.1. All the employees of the Transferor Company in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company. All employees of the Transferor Company in service on the Effective Date to whom provisions of Industrial Disputes Act, 1947 apply, shall, on and from the Effective Date, become the employees of the Transferee Company on the terms and conditions not less favourable than those on which they were engaged on the Effective Date.
- 9.2. On and from the Effective Date, the services of the employees of the Transferor Company will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of the said Funds (as defined herein below).
- 9.3. With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of the Transferor Company, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such schemes or funds in the respective Trust Deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. In the event that the Trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust, gratuity trust or superannuation trust of the Transferor Company, such funds shall be transferred by such trustees of the trusts of the Transferor Company, to separate trusts and the trustees of the Transferee Company if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income Tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose, the trusts created by the Transferor Company shall be transferred and/or continued by the Transferee Company, if permitted by law, failing which the Transferee Company shall establish similar trusts ensuring that there is continuity in this regard. The Trustees, including the respective Board of Directors of the Transferor Company and the Transferee Company, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or breakage in the service of the employees of the Transferor Company. Notwithstanding the above the Board of Directors of the Transferee



Company if it deems fit and subject to applicable law shall be entitled to retain separate trust within the Transferee Company for the erstwhile fund of the Transferor Company.

10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

- 10.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the Transferor Company for and on account of, and in trust for, the Transferee Company. The Transferor Company hereby undertake to hold the said assets with utmost prudence until the Effective Date.
- 10.2. The Transferor Company shall carry on their respective businesses and activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company) alienate, charge, mortgage, encumber or otherwise deal with or dispose of the undertaking or any part thereof (except in the ordinary course of business).
- 10.3. All the profits or income, taxes (including advance tax and tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 10.4. On and after the Appointed Date and until the Effective Date, the Transferor Company shall not without the prior written approval of the Board of Directors of the Transferee Company:
 - 10.4.1. except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise; or
 - 10.4.2. utilize, subject to Clause 11.1 below, the profits, if any, for any purpose including of declaring or paying any dividend.

11. DIVIDENDS

- 11.1. The Transferor Company and the Transferee 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. The dividend, if any, shall be declared by the Transferor Company only with the prior written consent of the Board of Directors of the Transferee Company, as mentioned in Clause 10.4.2 above. Notwithstanding the above, the Transferor Company shall be entitled to declare Final Dividend without consent of the Board of the Transferee Company, for the financial year ended March 31, 2005, as already proposed by the Board of the Transferor Company.
- 11.2. Subject to the provisions of the Scheme, the profits of the Transferor Company, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.
- 11.3. 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 the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, subject to such approval of the shareholders, as may be required.



12. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEREE COMPANY

- 12.1. Upon coming into effect of the Scheme, the following Clause No. 9A shall be inserted in the Ancillary Objects Clause of the Memorandum of Association of the Transferee Company:

"To manufacture, purchase, sell or otherwise transfer, lease, import, export, hire, license, use, dispose of, operate, fabricate, construct, distribute, assemble, design, charter, acquire, market, recondition, work upon or otherwise, generally deal in any electronic, electrical, mechanical and electromechanical product, machine, apparatus, appliance, custom products, merchandise, systems, software procedure, peripheral products, computers, tabulators, data processing machines and systems and components thereof, electronic calculators, electric and electromechanical accounting systems, terminal products and systems, machines for registering, data preparation, recording, perforation, tabulating, sorting printing, typewriting, products which possess an internal intelligence for recognition and correlating any type of data or information to be processed, recognition and memory systems, optical scanning machine, transmission lines, transmission equipment, terminals, copying, reproducing and distributing machines, check signing, protecting and disbursing equipment, machines for facsimile reproduction, facsimile transmission and word processing, facilities and accessories and devices of all kinds, and for all purposes, and any products and component parts thereof or materials or articles used in connection therewith, and any and all other machinery, appliances, apparatus, devices, materials, substances, business forms and supplies, articles or things of a character similar or analogous to the foregoing, or any of them or connected therewith."

- 12.2. Upon coming into effect of the Scheme, the following Clause No. 9B shall be inserted in the Ancillary Objects Clause of the Memorandum of Association of the Transferee Company:

"To establish and conduct programmes for the training of any personnel including members of public in the fields enumerated in the aforementioned objects and or training any personnel in any educational fields including any technology, banking, insurance, management, bio-technology, behavioural sciences etc., and develop systems for use in connection therewith and for all industrial and business applications of computer, hardware, software, firmware, computer programme and systems."

- 12.3. Upon coming into effect of the Scheme, the following Clause No. 12A shall be inserted in the Ancillary Objects Clause of the Memorandum of Association of the Transferee Company:

"To sell, mortgage, exchange, grant leases, licenses, easements and other rights in respect of improve, manage, develop and turn to account or deal with in any manner the whole of the property, assets, investments, undertakings, rights and effects of the Company or any part thereof for such consideration as may be thought fit, including by way of shares, debentures, or securities of any other Company, whether partly paid up or fully paid up."

- 12.4. Upon coming into effect of the Scheme, the following Clause No. 42 of the Memorandum of Association of the Transferee Company shall be omitted:

"To sell, mortgage, exchange, grant leases, licenses, easements and other rights in respect of improve, manage, develop and turn to account or deal with in any manner the whole of the property assets, investments, undertakings, rights and effects of the Company or any part thereof for such consideration as may be thought fit, including shares, debentures, or securities of any other Company, whether partly paid up or fully paid up."



- 12.5. It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 17 of the Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 17 of the Act for the amendments of the Memorandum of Association of the Transferee Company as above.
- 12.6. In order to carry on the activities currently being carried on by the Transferor Company, upon the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 391 of the Act, it shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 149 (2A) of the Act or any other provisions of the Act for the commencement of any business or activities currently being carried on by the Transferor Company in relation to any of the objects contained in the Memorandum of Association of the Transferee Company, to the extent the same may be considered applicable. In particular, the Transferee Company would be allowed to commence the new business added as above. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 149 (2A) of the Act.

13. ISSUE OF SHARES BY THE TRANSFEE COMPANY

- 13.1 Upon the Scheme coming into effect, and without any further application, act or deed, the Transferee Company shall, in consideration of the amalgamation, issue and allot to every equity shareholder of Transferor Company holding fully paid-up equity shares in Transferor Company and whose names appear in the Register of Members of Transferor Company on the Record Date, one (1) Equity Share of Re.1/- each in the Transferee Company credited as fully paid-up with rights attached thereto as hereinafter mentioned for every two (2) equity shares of Rs.10/- each fully paid-up held by such member in the capital of Transferor Company.
- 13.2 In so far as forfeited shares in Transferor Companies are concerned, no shares shall be issued by the Transferee Company in lieu thereof.
- 13.3 In respect of the equity shares in Transferor Company already held in dematerialized form, the Equity Shares to be issued by the Transferee Company in lieu thereof shall also be issued in dematerialized form with the shares being credited to the existing depository accounts of the members of Transferor Company entitled thereto. In respect of the equity shares in Transferor Company held in the physical form, each member of Transferor Company holding such shares shall have the option, to be exercised by way of giving a notice to the Transferee Company on or before the Record Date, to receive the Equity Shares of the Transferee Company either in physical form or in dematerialized form. In the event that such notice has not been received by the Transferee Company in respect of any member, the Equity Shares of the Transferee Company shall be issued to such members in physical form.
- 13.4 The shares of Transferor Company held by its equity shareholders (both in physical and dematerialized form) whose names appear in the Register of Members and the records of the depository as on the Record Date, shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled. The said equity shares of Transferor Company held in physical form shall be deemed to have been automatically cancelled without any requirement to surrender the certificates for shares held by the shareholders of Transferor Company. The Transferee Company shall take such corporate actions in relation to the equity shares of Transferor Company held in dematerialized form, as may be necessary.
- 13.5 The Board of Directors of the Transferee Company shall consolidate all fractional entitlements arising due to the issue of Equity Shares in terms of Clause 13.1 to shareholders of Transferor Company and thereupon issue and allot Equity Shares in lieu thereof to a separate trust created for the purpose which shall hold the Equity



Shares in trust for and on behalf of the members entitled to such fractional entitlements with the express understanding that such trust shall sell the same at such time or times and at such price or prices to such person or persons, as it deems fit. The said trust shall distribute such net sale proceeds to the members in the same proportion as their respective fractional entitlements bear to the consolidated fractional entitlements.

- 13.6 On the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 391 of the Act, it shall be deemed that the said members have also resolved and accorded all relevant consents under Section 81(1A) of the Act or any other provisions of the Act to the extent the same may be considered applicable. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 81 (1A) of the Act.
- 13.7 The new shares in the Transferee Company to be issued to the members of Transferor Company shall be subject to the Memorandum and Articles of Association of the Transferee Company and the Equity Shares shall rank *pari passu* in all respects with the existing Equity Shares in the Transferee Company.
- 13.8 The Equity Shares of the Transferee Company issued in terms of the Scheme shall, subject to applicable regulations, be listed and/or admitted to trading on the relevant stock exchange(s) where the existing Equity Shares of the Transferee Company are listed and/or admitted to trading.

14. DISSOLUTION OF THE TRANSFEROR COMPANY

- 14.1. On the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up without any further act by the parties.
- 14.2. On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

15. ACCOUNTING TREATMENT

- 15.1. All Assets & Liabilities, including Reserves, of the Transferor Company shall be recorded in the books of accounts of the Transferee Company at their existing carrying amounts and in the same form.
- 15.2. Such reserves of the Transferor Company, including Share Premium Account, if any, will be incorporated in the books of account of the Transferee Company as reduced by the cost of investments of the Transferee Company in the Equity Shares of the Transferor Company.
- 15.3. The difference between the amounts recorded as Share Capital issued and the amount of Share Capital of the Transferor Company shall be adjusted in General Reserves.
- 15.4. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the General Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

16. APPLICATIONS TO THE HIGH COURT

- 16.1. The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications to the Hon'ble High Court of Judicature at Bombay where the respective Registered Offices of the Transferor Company and the Transferee Company are situated, for sanctioning this Scheme under Sections 391 to 394 of the



Act for an order or orders thereof for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.

17. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 17.1. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.
- 17.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

18. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

- 18.1. The Scheme is conditional upon and subject to:
- 18.1.1. Approval of the Scheme by the requisite majority of the respective members and such class of persons of the Transferor Company and the Transferee Company as may be directed by the Hon'ble High Court of Judicature at Bombay.
- 18.1.2. Sanctions and Orders under the provisions of Section 391 read with Section 394 of the Act being obtained by the Transferor Company and the Transferee Company from the Hon'ble High Court of Judicature at Bombay.
- 18.1.3. The approval of the Government of India and/or Reserve Bank of India, if required and the prior consent of The Stock Exchange, Mumbai and/or the National Stock Exchange of India Limited where such approval or consent is necessary.
- 18.1.4. All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.
- 18.2. This Scheme, although to come into operation from the Appointed Date, shall not become effective until the last of the following dates, namely:
- 18.2.1. That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 18.1 shall be obtained or passed, or
- 18.2.2. That on which all necessary certified copies of orders under Sections 391 and 394 of the Act shall be duly filed with the appropriate Registrar of Companies.

The last of such dates shall be the "Effective Date" for the purpose of this Scheme.



19. COSTS

- 19.1. All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or Court's order including this Scheme or in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.

20. REVOCATION OF THE SCHEME

- 20.1. In the event of any of the said sanctions and approvals referred to in Clause 18 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Hon'ble High Court of Judicature at Bombay and/or order or orders not being passed as aforesaid before March 31, 2006 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if such boards are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on all/any of the companies.



TRUE-COPY
M. D. Narvekar
M. D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

True Copy
K. K. Kelkar
Advocate for the Petitioners



IN THE HIGH COURT OF JUDICATURE
AT BOMBAY
ORDINARY ORIGINAL CIVIL
JURISDICTION
COMPANY PETITION NO. 741 OF 2005
CONNECTED WITH
COMPANY APPLICATION NO. 519 OF 2005

In the matter of

The Companies Act, 1956;

And

In the matter of

Sections 391 to 394 of the
Companies Act, 1956

And

In the matter of

Tata Consultancy Services Limited,
a company having its registered
office at Bombay House, 24, Homi
Mody Street, Fort, Bombay 400 001.

And

In the matter of

The Scheme of Amalgamation of
Tata Infotech Limited, having its
registered office at, Manish
Commercial Centre, 216A Dr. Amnir
Besant Road, Worli, Mumbai 400
030 (Transferor Company) and Tata
Consultancy Services Limited,
having its registered office at
Bombay House, 24, Homi Mody
Street, Fort, Mumbai 400 001
(Transferee Company) and their
respective members and creditors.

Tata Consultancy Services Limited

...Petitioner Company

AUTHENTICATED COPY OF THE OF THE
ORDER (ALONG WITH SCHEME)
Dated this 27th day of January, 2006

Applied on 30-1-06
Engrossed on
Section
Folio
Examined by S.M. Kulkarni
Compared with S.M. Kulkarni
Ready on 30-1-06
Delivered on 31-1-06

AZB & Partners
Advocates for the Petitioner
23rd Floor, Express Towers
Nariman Point
Mumbai - 400 021

2038/06

Saji. P. Johan
Clerk

IN THE HIGH COURT OF KARNATAKA, BANGALORE

DATED THIS THE 13TH DAY OF JANUARY, 2006

BEFORE

THE HON'BLE MR. JUSTICE RAM MOHAN REDDY

COMPANY PETITION NO.145 OF 2005

BETWEEN

TCS BUSINESS TRANSFORMATION
SOLUTIONS LIMITED, REGISTERED
OFFICE AT THINK CAMPUS,
ELECTRONICS CITY - PHASE-2,
BANGALORE - 560 100.

---PETITIONER

(BY SRI A MURALI, AZB & PARTNERS (SRI SAJI P JAN))

AND

NIL.

---RESPONDENT

(BY SRI DEEPAK FOR OL; SRI D B RAJANNA FOR ROC)

THIS COMPANY PETITION IS FILED UNDER
SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956,
PRAYING TO SANCTION THE SCHEME OF AMALGAMATION
AND ETC.,

THIS PETITION COMING ON FOR ORDERS, THIS DAY
THE COURT MADE THE FOLLOWING:

ORDER

In this petition, petitioner seeks sanction of the
scheme of amalgamation Annexure-"A". The petitioner (for



Copy Contains..... 9
and Court Fee Stamps of Rs. 27
if affixed
in cash.

short the 'Transferor company') is a company incorporated under the Companies Act, 1956 (for short 'Act') having its registered office in the State of Karnataka at Think Campus, Electronic City, Phase-2, Bangalore-560 100.

2. The main objects of the Transferor company is to carry on the business of developing, designing, supporting, servicing, etc., of all kinds of software, firmware, computer programs amongst other objects set out in the memorandum and Articles of Association Annexure-"B". The authorised share capital of the petitioner is Rs.20,00,00,000/- (Rupees Twenty crores only) divided into 2,00,00,000 (Two crores) equity shares of Rs.10/- each while the issued, subscribed and paid-up capital is Rs.12,32,40,350/- (Rupees Twelve crore thirty-two lakhs forty thousand three hundred and fifty only) divided into 1,23,24,035 (One crore twenty-three lakhs twenty four thousand and thirty-five) equity shares of Rs.10/- each fully paid up of which 1,23,24,024 shares are held by the Transferee company M/s. Tata Consultancy Services Limited, incorporated under the Act and the balance of 10 shares are held by the nominees of the Transferee



[Handwritten signature]

company. The Balance-sheet made upto 31-03-2005 Annexure-"C" duly audited by the auditors of the petitioner-company discloses its assets and liabilities.

3. The Board of Directors of the petitioner-company approved and adopted the scheme of amalgamation Annexure-"A" whereunder the petitioner, amongst other companies, are proposed to be merged with M/s. Tata Consultancy Services Limited, a Company incorporated under the Act in the State of Maharashtra, subject to sanction of the scheme by this Court.

4. The petitioner-Company filed C.A.No.922/2005 for dispensing with the holding of the meeting of its shareholders and creditors, which was allowed by order dated 21-09-2005. Hence, this petition for sanction of the scheme of amalgamation.

5. This petition was admitted and notices ordered on the Regional Director for Company Affairs, Chennai and the Official Liquidator. At the request of the Official Liquidator in his report in OLR No.675/2005, this Court appointed



[Signature]

M/s. P.S. Ananda Rao and Associates, Chartered Accountants, who, in compliance of the order, filed his report on 5-12-2005 opining that the affairs of the Transferor company have not been conducted in a manner prejudicial to the interest of the public, shareholders or creditors. The Official Liquidator, in OLR 929/2005 states that he has no objection for the sanction of the scheme of amalgamation.

6. The Regional Director for Company Affairs has filed his report by way of an affidavit dated 15-12-2005 stating that he has no objection for sanction of the scheme of amalgamation however, such a sanction would be subject to the sanction accorded by the High Courts of Mumbai and that of Chennai since the Transferee company is within the territorial jurisdiction of the High Court of Mumbai and the other Transferor companies are within the territorial jurisdiction of the High Court of Chennai.

7. Board of Directors of the petitioner-Company having opined that the merger of the companies would be beneficial and profitable to operate as a single unit instead of different



units, the Transferee company being a consistent profit making company and that it is the holding company of the Transferor company, proposed the scheme of amalgamation. It is also stated that in order to have synergy of operation and to avoid administrative overheads, they have decided to amalgamate into one unit so that they can avail the advantage of large-scale operation. In view of these advantages amongst others, as set out in the petition, it is stated that scheme of amalgamation is beneficial to the shareholders and creditors of the companies.

8. The material on record discloses that the convening of the meeting of the shareholders and creditors is in accordance with Section 391 of the Act which was considered in C.A.No.922/2005 while dispensing with the holding and convening of the meetings of its shareholders and creditors. The statutory requirement as contained in Section 391(2) of the Act is complied with. The Auditor's report clearly discloses that the affairs of the company is not conducted in a manner prejudicial to the interest of the shareholders or creditors.



ful

9. Despite publication of hearing of the petition, none of the shareholders, creditors or other persons have appeared before this Court to oppose the scheme of amalgamation. The report of the Official Liquidator discloses that he has no objection for according sanction to the scheme.

10. There are no objections raised by the Regional Director in so far as the sanction of the scheme of amalgamation is concerned except to state that the said sanction would be subject to the sanction accorded by the High Courts of Mumbai and Chennai.

11. The terms of the scheme of amalgamation indicate that with effect from the said date, all debts, liabilities, dues and obligations of the transferor company and any accretions additions or deletions thereto, after the appointed date shall without any further act or instrument or deed stand transferred or deemed to be transferred and vested in the Transferee company so as to become as and from that



LM

date, the debts, liabilities, dues and obligations of the Transferee Company.

12. Upon the scheme being sanctioned and becoming finally effective, the shares of the Transferor company shall stand automatically cancelled since these shares are held by the Transferee company.

13. All the employees of the Transferor company in service on the effective date, shall become the employees of the transferee company on such date without any break or interruption in service and on the terms and conditions not less favourable than those subsisting with the transferor company. As already noticed supra, no employees of the Transferor Company have appeared before the Court to oppose the Scheme of Amalgamation, Annexure-"A". Thus, the interest of the employees is taken care.

14. As the shareholders of the petitioner-Company have unanimously approved the scheme of amalgamation



and agreed to cancellation of the said shares, it is not open for this Court to sit in appeal over the value judgement of the equity shareholders.

15. In these circumstances, the petitioner has made out a case for sanction of the scheme of amalgamation Annexure-"A". Hence, the following order:

- i) The scheme of amalgamation Annexure-"A" proposed by the petitioner is sanctioned and is binding on the petitioner, its shareholders and creditors, and is subject to the sanction of the High Courts of Mumbai and Chennai.
- ii) The petitioner-company shall stand dissolved without there being an order of winding up;
- iii) Office is directed to draw up a decree in Form No.42;



- iv) Petitioner is directed to serve a copy of this order on the Registrar of Companies in Maharashtra, Chennai as well as Karnataka within 30 days.

Petition is accordingly, allowed.

Sd/-
Judge



"TRUE COPY"

J. Shant
Section Officer 23/1/06
High Court of Karnataka,
Bangalore-560 001.

- a) The date on which the application was made 18-01-06
- b) The date on which charges and additional charges if any, are called for 23-01-06
- c) The date on which charges and additional charges, if any, are deposited/paid 23-01-06
- d) The date on which the copy is ready 23-01-06
- e) The date of notifying that the copy is ready for delivery 23-01-06
- f) The date on which the applicant is required to appear on or before 27-01-06
- g) The date on which the copy is delivered to the Registrar 23/1/2006
- h) The date on which the copy is delivered to the Registrar 23/1/2006

[Signature]

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORIGINAL JURISDICTION)

Wednesday, the Twenty Fifth day of January, 2006.

THE HON'BLE MR. JUSTICE S.R. SINGHARAVELU

Comp. Petn. No. 193/2005

In the matter of the Companies Act, 1956 (1 of 1956) And
In the matter of Aviation Software Development Consultancy India Limited And In the matter of Scheme of Amalgamation of Airline Financial Support Services (India) Limited And Aviation Software Development Consultancy India Limited And TCS Business Transformation Solutions Limited With Tata Consultancy Services Limited.

Aviation Software Development Consultancy India Limited, having its Registered Office at Unit 21/22, Elnet Software City, TS 140, Block 2 & 9, CPT Road, Taramani, Chennai - 600 113, represented by its Chief Executive Officer, Dr. R. Srinivasan.

... Petitioner/Transferor Company (2)

This Company Petition praying this Court to

(a) sanction the Scheme of Amalgamation of Airline Financial Support Services (India) Limited and Aviation Software Development Consultancy India Limited and TCS Business Transformation Solutions Limited with Tata Consultancy Services Limited, with effect from 1st April 2005 so as to be binding on all the shareholders and creditors of the Petitioner / Transferor Company (2) namely, Aviation Software Development Consultancy India Limited and on the said Petitioner / Transferor Company (2).

..2..

(b) to dissolve the Petitioner / Transferor Company (2) namely, Aviation Software Development Consultancy India Limited as without winding up.

This Company Petition having been heard on 3.1.2006 in the presence of Mr.P.H. ArvindhPandian, Advocate for the petitioner in the company petition No.193/2005 and Mr.M.T.Arunan, Additional Central Government Standing Counsel, appearing for the Regional Director, Southern Region, Department of Company Affairs, Chennai, and upon reading the company petition No.193 of 2005, and the affidavit of R. Vasudevan, Regional Director, Southern Region, Department of Company Affairs, Chennai, filed herein, and the advertisement of the Company Petition having been made in one issue of English daily "The Hindu" Business Line" dated 29.10.2005 and in Tamil daily "Malai Murasu" dated 28.10.2005 and this Court having dispensed with the convening, holding and conducting of the meeting of the equity shareholders of the Petitioner company by an order dated 28.9.2005 and made in C.A.No.1506 of 2005, and having stood over for consideration till this date and coming on this day before this Court for orders in the presence of the said Advocates for the parties hereto, and this Court doth hereby sanction the Scheme of Amalgamation Annexed hereunder with effect from 1st of April 2005 subject to the approval of the other

the ^{of Bombay} High Courts in respect of transferor Companies 1 and ^{NO} by the High Court of Karnataka in respect of transfer Company No. 3, and the consent for amalgamation to be expressed by and declare the same to be binding on all the shareholders the Board of Directors of the transferee company, and ^{Petitioners} ^{herein} creditors of the said company, and on the said company, this Court doth further order as follows:-

1. That, the petitioner company herein do file with the Registrar of Companies, Chennai, a certified copy of the order within 30 days from this date.

2. That, the parties to the scheme of amalgamation or other person interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to carrying out the scheme of Amalgamation Annexed hereunder.

3. That, the Transferor company (2) viz., Aviation Software Development Consultancy India Limited, shall be dissolved without being wound up on filing of the report by the Official Liquidator, High Court, Madras pursuant to second proviso to section 194 (1) of the companies Act, 1956.

4. That, the transferee company be and is hereby directed to handover the books of account of the transferor company to the Official Liquidator, High Court, Madras to submit his report;

5. That, Mr. H. T. Arunan, The Additional Central Government Standing Counsel shall be entitled to a fee of Rs. 5000/- (Rupees five thousand only) payable by the petitioner company within four weeks from this date i.e. on or before 22.2.2006.

- 4 -

Annexure

**SCHEME OF AMALGAMATION
OF**

**AIRLINE FINANCIAL SUPPORT SERVICES (INDIA) LIMITED
AND**

**AVIATION SOFTWARE DEVELOPMENT CONSULTANCY INDIA LIMITED
AND**

**TCS BUSINESS TRANSFORMATION SOLUTIONS LIMITED
WITH**

**TATA CONSULTANCY SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

UNDER SECTIONS 391 and 394 OF THE COMPANIES ACT, 1956

PREAMBLE

This Scheme of Amalgamation provides for the amalgamation of (i) **Airline Financial Support Services (India) Limited**, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Prafullit Nivas, Plot No. 106, Street No. 13, MIDC, Andheri East, Mumbai, 400 093 ("Transferor Company No. 1"); (ii) **Aviation Software Development Consultancy India Limited**, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Unit 21/22, Elnet Software City, TS 140, Block 2 & 9, CPT Road, Taramani, Chennai, 600113. ("Transferor Company No. 2"); and (iii) **TCS Business Transformation Solutions Limited**, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Think Campus, Electronics City - Phase 2, Bangalore, 560 100 ("Transferor Company No. 3") with **Tata Consultancy Services Limited**, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Bombay House, 24, Homi Mody Street, Mumbai, 400 001, ("Transferee Company"), pursuant to the relevant provisions of the Companies Act, 1956.

1. **DEFINITIONS**

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

- 1.1. **"Act"** or **"the Act"** means the Companies Act, 1956, or any modifications or re-enactment thereof from time to time;
- 1.2. **"Appointed Date"** means April 1, 2005 or such other date as may be mutually agreed by the Board of Directors of the Transferor Companies and the Transferee Company;
- 1.3. **"Effective Date"** means the last of the dates specified in Clause 18 of this Scheme;
- 1.4. **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 17 of this Scheme or any modifications approved or directed by the High Court of Judicature at Bombay, Karnataka or Madras;
- 1.5. **"Transferee Company"** means **Tata Consultancy Services Limited**, a company incorporated under the Companies Act, 1956 and having its Registered Office at Bombay House, 24, Horni Mody Street, Mumbai, 400 001, India;
- 1.6. **"Transferor Companies"** means Transferor Company No.1, Transferor Company No. 2 and Transferor Company No. 3;
- 1.7. **"Transferor Company No. 1"** means **Airline Financial Support Services (India) Limited**, a company incorporated under the Companies Act, 1956 having its registered office at Prafullit Nivas, Plot No. 106, Street No. 13, MIDC, Andheri East, Mumbai, 400 093 India;
- 1.8. **"Transferor Company No. 2"** means **Aviation Software Development Consultancy India Limited**, a company incorporated under the Companies Act,

1956 having its registered office at Unit 21/22, Elnet Software City, TS 140, Block 2 & 9, CPT Road, Taramani, Chennai, 600113, India; and

- 1.9. **"Transferor Company No. 3"** means **TCS Business Transformation Solutions Limited**, a company incorporated under the Companies Act, 1956 having its registered office at Think Campus, Electronics City – Phase 2, Bangalore, 560 100, India.

2. NATURE OF BUSINESS

2.1. Nature of Business of the Transferor Company No. 1

The Transferor Company No. 1 is, *inter alia*, engaged in Business Process Outsourcing and Information Technology Enabled Services, with core competency in rendering revenue accounting and other allied services to various airlines.

2.2. Nature of Business of the Transferor Company No. 2

The Transferor Company No. 2 is, *inter alia*, engaged in the business of developing and maintaining software for the aviation industry. It also provides services to Singapore Airlines, both offsite and offshore, from its principal office in Chennai, and to other clients such as Emirates and IBM Taiwan and is also involved in providing services to the clients of the Transferee Company.

2.3. Nature of Business of the Transferor Company No. 3

The Transferor Company No. 3 is, *inter alia*, engaged in the business of providing information technology solutions, business process outsourcing and customer care services to support business transactions of insurance companies. It also provides transaction processing support such as new business processing and policy administration support. It has been providing customization and implementation expertise in various insurance technology products to several insurance industry customers.

2.4. **Nature of Business of the Transferee Company**

The Transferee Company is, *inter alia*, engaged in the business of information technology services and information technology enabled services.

3. **CAPITAL STRUCTURE**

- 3.1. As on March 31, 2005, the share capital of the Transferor Company No. 1 is as under:

Particulars	Amount (Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
1,10,00,000 equity shares of Rs. 10/- each	11,00,00,000
	<u>11,00,00,000</u>
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
54,00,000 equity shares of Rs. 10/- each, fully paid-up, includes 18,00,000 shares allotted as fully paid up bonus shares by capitalization of profits in the year ended March 31, 1999.	
53,99,993 shares are held by the Transferee Company, the holding company. In addition, 7 shares are held jointly by the Transferee Company, the holding company, along with certain individuals as nominees.	5,40,00,000
	<u>5,40,00,000</u>

3.4. As on March 31, 2005, the share capital of the Transferee Company is as under:

Particulars	Amount (Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
60,00,00,000 equity shares of Re. 1/- each	60,00,00,000
	<u>60,00,00,000</u>
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
48,01,14,809 equity shares of Re. 1/- each, fully paid-up	48,01,14,809
	<u>48,01,14,809</u>

4. BACKGROUND AND RATIONALE FOR THE SCHEME

4.1. The background and circumstances which justify the said Amalgamation are, *inter-alia*, as follows:-

4.1.1. The Transferor Company No. 1 and the Transferor Company No. 2 were joint ventures in the past and hence were set up as separate entities. The Transferor Company No. 3 was wholly acquired from its erstwhile owners. The original purpose for keeping the three subsidiaries as separate legal entities is no longer valid since the entire share capital of these companies is now held by the Transferee Company and therefore it would be in order to amalgamate the Transferor Companies with the Transferee Company.

4.1.2. The Transferee Company and all the Transferor Companies are in the Information Technology services business which can be carried out more efficiently under one amalgamated entity.

4.1.3. The Transferor Companies are wholly owned subsidiaries of the Transferee Company. A consolidation of the Transferor Companies and the Transferee Company by way of amalgamation would lead to a more

- 3.2. As on March 31, 2005, the share capital of the Transferor Company No. 2 is as under:

Particulars	Amount (Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
1,00,00,000 equity shares of Rs. 10/- each	10,00,00,000
	<u>10,00,00,000</u>
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
40,00,002 equity shares of Rs. 10/- each fully paid-up, of which 39,99,996 shares are held by the Transferee Company, the holding company. In addition, 6 shares are held jointly by the Transferee Company, the holding company, along with certain individuals as nominees.	4,00,00,020
	<u>4,00,00,020</u>

- 3.3. As on March 31, 2005, the share capital of the Transferor Company No. 3 is as under:

Particulars	Amount (Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
2,00,00,000 equity shares of Rs. 10/- each	20,00,00,000
	<u>20,00,00,000</u>
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
1,23,24,035 equity shares of Rs. 10/- each, fully paid-up, of which 1,23,24,024 shares are held by the Transferee Company, the holding company. In addition, 10 shares are held jointly by the Transferee Company, the holding company, along with certain individuals as nominees and 1 equity share is held by Mr. S.H. Rajadhyaksha..	12,32,40,350
	<u>12,32,40,350</u>

Note : On July 15, 2005, the 1 equity share held by Mr. S.H. Rajadhyaksha was transferred in the name of the Transferee Company with Mr. S.H. Rajadhyaksha being the second holder as a nominee.

efficient utilization of capital and create a consolidated base for future growth of the amalgamated entity.

4.1.4. The proposed amalgamation will result in administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. It will prevent cost duplication that can erode financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Companies and achieve better cash flows. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.

4.1.5. The proposed amalgamation will reduce managerial overlaps, which are necessarily involved in running multiple entities.

4.1.6. The Transferor Companies are wholly owned subsidiaries of the Transferee Company and all the shares of the Transferor Companies are presently held by the Transferee Company in its own name or in the names of its nominees. The Scheme envisages transfer of the entire undertakings of the Transferor Companies to the Transferee Company. Accordingly, the Scheme is not prejudicial to the interest of the shareholders of the Transferor Companies. As far as the creditors of the Transferor Companies are concerned the assets of the Transferor Companies after amalgamation will be higher than their liabilities. Accordingly, the creditors of the Transferor Companies will also not be affected by the Scheme.

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4.1.7. The Scheme does not affect the rights and interests of the shareholders or the creditors of the Transferee Company. The shareholding and other rights of the members of the Transferee Company will remain un-affected as no new shares are being issued by the Transferee Company to the shareholders of the Transferor Companies and there is no change in the capital structure. Further the creditors of the Transferee Company will not be affected by the Scheme since post merger the assets of the Transferee Company are greater than its liabilities.

5. AMALGAMATION OF COMPANIES

5.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferor Companies shall stand amalgamated with the Transferee Company, as provided in the Scheme, and, pursuant to the provisions of Sections 391 and 394 and other applicable provisions of the Act, all the assets and debts, outstandings, credits, liabilities, duties and obligations whatsoever concerning the Transferor Companies as on the Appointed Date shall, accordingly, stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in the Transferee Company, as under. Without prejudice to the generality of the above, all benefits including under income tax, excise, sales tax (including deferment of sales tax), benefits for and under STPI registrations, etc., to which the Transferor Companies are entitled to in terms of the various statutes and/or schemes of Union and State Governments, shall be available to and vest in the Transferee Company.

5.1.1. In respect of such of the assets of the Transferor Companies as are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement

and delivery, the same may be so transferred by the Transferor Companies, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company to the end and intent that the ownership and property therein passes to the Transferee Company on such handing over in pursuance of the provisions of Section 394 of the Act.

5.1.2. In respect of such of the assets belonging to the Transferor Companies other than those referred to in sub-clause 5.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and / or be deemed to be transferred to and stand vested in the Transferee Company pursuant to the provisions of Section 394 of the Act.

5.1.3. In relation to the assets belonging to the Transferor Companies, which require separate documents of transfer, the parties will execute the necessary documents, as and when required.

5.1.4. The transfer and vesting of all the assets of the Transferor Companies, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and/or encumbrances shall be confined only to the relative assets of the Transferor Companies or part thereof on or over which they are subsisting on transfer to and vesting of such assets in the Transferee Company and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which any of the Transferor Companies is a party) to any assets of the Transferor

Companies shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security thereof.

5.1.5. In respect of the debts, liabilities, duties and obligations of the Transferor Companies, it is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.

5.2. For the removal of doubt, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstandings as between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

6. LEGAL PROCEEDINGS

6.1. If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against the Transferor Companies are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee

Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Companies, in the absence of the Scheme.

7. CONTRACTS AND DEEDS

7.1. All contracts, deeds, bonds, agreements, arrangements, incentives, licences, engagements and other instruments of whatsoever nature to which the Transferor Companies are parties or to the benefit of which the Transferor Companies may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto.

7.2. The Transferee Company shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this Clause and to the extent that the Transferor Companies is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Companies.

8. SAVING OF CONCLUDED TRANSACTIONS

8.1. The transfer of the assets and liabilities of the Transferor Companies under Clause 5 above, the continuance of Proceedings under Clause 6 above and the effectiveness of contracts and deeds under Clause 7 above, shall not affect any transaction or Proceedings already concluded by the Transferor Companies on or before the Effective Date, to the end and intent that the Transferee Company

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accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto, as if done and executed on its behalf.

9. EMPLOYEES

- 9.1. All the employees of the Transferor Companies in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company. All employees of the Transferor Companies in service on the Effective Date to whom provisions of the Industrial Disputes Act, 1947 apply, shall, on and from the Effective Date, become the employees of the Transferee Company on terms and conditions not less favourable than those on which they were engaged on the Effective Date.
- 9.2. On and from the Effective Date, the services of the employees of the Transferor Companies will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of the said Funds (as defined herein below).
- 9.3. With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of the Transferor Companies, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such schemes or funds shall become those of the Transferee Company. In the event that trustees are constituted as holders of any

securities, trust funds or trust monies, in relation to any provident fund trust, gratuity trust or superannuation trust of the respective Transferor Companies, such funds shall be transferred by such trustees of the trusts of the Transferor Companies, to separate trusts and the trustees of the Transferee Company if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income Tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose, the trusts created by the Transferor Companies shall be transferred and/or continued by the Transferee Company, if permitted by law, failing which the Transferee Company shall establish similar trusts ensuring that there is continuity in this regard. The trustees, including the respective Board of Directors of the Transferor Companies and the Transferee Company, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or breakage in the service of the employees of the Transferor Companies. Notwithstanding the above, the Board of Directors of the Transferee Company if it deems fit and subject to applicable law shall be entitled to retain separate trusts / schemes within the Transferee Company for each of the erstwhile trusts / schemes of the Transferor Companies.

10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

- 10.1. The Transferor Companies shall be deemed to have been carrying on and shall carry on their respective businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the Transferor Companies for and on account of, and in trust for, the Transferee Company. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.
- 10.2. The Transferor Companies shall carry on their respective businesses and activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company) alienate, charge, mortgage, encumber or otherwise deal with or dispose of the undertaking or any part thereof (except in the ordinary course of business).
- 10.3. All the profits or income, taxes (including advance tax, tax deducted at source and fringe benefit tax) or any costs, charges, expenditure accruing to the Transferor Companies or expenditure or losses arising or incurred or suffered by the Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 10.4. On and after the Appointed Date and until the Effective Date, the Transferor Companies shall not without the prior written approval of the Board of Directors of the Transferee Company:
 - 10.4.1. except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise; or

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10.4.2. utilize, subject to Clause 11.1 below, the profits, if any, for any purpose including of declaring or paying any dividend.

11. DIVIDENDS

11.1. The Transferor Companies and the Transferee 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. The dividend, if any, shall be declared by the Transferor Companies only with the prior written consent of the Board of Directors of the Transferee Company, as mentioned in Clause 10.4.2 above.

11.2. Subject to the provisions of the Scheme, the profits of the Transferor Companies, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.

11.3. 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 the Transferor Companies and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, subject to such approval of the shareholders, as may be required.

12. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY

12.1. Upon coming into effect of the Scheme, the following Clause No. 9C shall be inserted in the Ancillary Objects Clause of the Memorandum of Association of the Transferee Company:

**To provide business process outsourcing services, IT enabled services, contact centre services, IT infrastructure and facilities management*

This amendment not given effect to vide para 4 of Bombay High Court Order dated 9.12.2005 (attached)

services, engineering services, call centre services, data processing services including but not limited to establishing a bureau for providing computer data processing services."

12.2. It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 17 of the Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 17 of the Act for the amendment of the Memorandum of Association of the Transferee Company as above.

12.3. In order to carry on the activities currently being carried on by the Transferor Companies, upon the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Companies pursuant to Section 391 of the Act, it shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 149 (2A) of the Act or any other provisions of the Act for the commencement of any business or activities currently being carried on by the Transferor Company in relation to any of the objects contained in the Memorandum of Association of the Transferee Company, to the extent the same may be considered applicable. In particular, the Transferee Company would be allowed to commence the new business added as above. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 149 (2A) of the Act.

13. NO ISSUE OF SHARES BY THE TRANSFEE COMPANY – SHARE CAPITAL OF TRANSFEROR COMPANIES TO BE EXTINGUISHED

13.1. For the purposes of this Scheme, it is hereby clarified that the Transferor Companies are wholly owned by the Transferee Company and therefore there would be no issue of shares by the Transferee Company.

13.2. Upon the Scheme becoming effective, in consideration of the transfer and vesting of the undertakings including all assets and liabilities of the Transferor Companies in the Transferee Company in terms of this Scheme, the entire paid up share capital in the Transferor Companies fully held by the Transferee Company and/or its nominee(s) on the Effective Date shall be extinguished and shall stand extinguished and all such equity shares of the Transferor Companies held by the Transferee Company either in its own name or in the name of its nominee(s) shall be cancelled and shall be deemed to be cancelled on the Effective Date without any further application, act or deed.

14. DISSOLUTION OF THE TRANSFEROR COMPANIES

14.1. On the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up without any further act by the parties.

14.2. On and with effect from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

15. ACCOUNTING TREATMENT

15.1. All Assets & Liabilities, including Reserves, of the Transferor Companies shall be recorded in the books of accounts of the Transferee Company at their existing carrying amounts and in the same form.

15.2. Such reserves of the Transferor Companies, including Share Premium Account, if any, will be incorporated in the books of account of the Transferee Company as reduced by the cost of investments of the Transferee Company in the Equity Shares of the Transferor Companies.

- 15.3. The difference between the amounts recorded as Share Capital issued and the amount of Share Capital of the Transferor Companies shall be adjusted in General Reserves.
- 15.4. In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the General Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

16. APPLICATIONS TO THE HIGH COURT

- 16.1. The Transferor Companies shall, with all reasonable dispatch, make applications to the Hon'ble High Court of Judicature at Bombay, Hon'ble High Court of Karnataka and the Hon'ble High Court of Chennai where the respective Registered Offices of the Transferor Companies are situated, for sanctioning this Scheme under Sections 391 to 394 of the Act for an order or orders thereof for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.
- 16.2. If required, the Transferee Company shall with all reasonable dispatch, make applications to the High Court of Judicature at Bombay, where the registered office of the Transferee Company is situated, for sanctioning this Scheme of Amalgamation under Sections 391 to 394 of the Act for an order or orders thereof for carrying this Scheme into effect.

17. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 17.1. The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may

make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

- 17.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

18. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

- 18.1. The Scheme is conditional upon and subject to:

18.1.1. Approval of the Scheme by the requisite majority of the respective members and such class of persons of the Transferor Companies and the Transferee Company (if required) as may be directed by the applicable Hon'ble High Courts of Judicature at Bombay, Karnataka or Chennai, as the case may be.

- 18.1.2. Sanctions and Orders under the provisions of Section 391 read with Section 394 of the Act being obtained by the Transferor Companies and the Transferee Company (if required) from the applicable Hon'ble High Courts of Judicature at Bombay, Karnataka and Chennai.
- 18.1.3. The approval of the Government of India and/or Reserve Bank of India, if required and the prior consent of the Stock Exchange, Mumbai and/or the National Stock Exchange of India Limited where such approval or consent is necessary.
- 18.1.4. All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.
- 18.2. This Scheme, although to come into operation from the Appointed Date, shall not become effective until the last of the following dates, namely:
- 18.2.1. That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 18.1 shall be obtained or passed; or
- 18.2.2. That on which all necessary certified copies of orders under Sections 391 and 394 of the Act shall be duly filed with the appropriate Registrar of Companies.

The last of such dates shall be the "Effective Date" for the purpose of this Scheme.

19. COSTS

- 19.1. All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or Court's order including this Scheme or in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.

20. REVOCATION OF THE SCHEME

- 20.1. In the event of any of the said sanctions and approvals referred to in Clause 18 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Hon'ble High Court of Judicature at Bombay, Karnataka or Chennai and/or order or orders not being passed as aforesaid before March 31, 2006 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Companies and the Transferee Company who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of the Transferor Companies and

- 25 -

the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if such boards are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on all/any of the companies.

WITNESS, The Hon'ble Thiru, AJIT PRAKASH SHAH,
The Chief Justice of Madras High Court, aforesaid
this the 25th day of January, 2006,

sd/M.T.Brindha,

DEPUTY REGISTRAR (C.S.)

Certified to be a true copy.

dated this the 31st day of Jan 2006.

S. Sarikala
COURT OFFICER.

KM/31.01.06.

De
31/1/06

(1+5 copies)

Comp.Petr.No.193/2003

ORDER DATED:25.1.2006.

THE HON'BLE MR.JUSTICE
S.R.SINGHARAVELU

For Approval on: 31-1-06

Approved on: 31-1-06

Copy to:

1. The Official Liquidator
High Court, Madras.
2. The Registrar of Companies
No.26, Haddows Road,
Chennai - 6.
3. The Regional Director,
No.26, Haddows Road,
Chennai - 6.

HIGH COURT MADRAS

ORIGINAL SIDE

C.A. No. 274/06

Appointed 25.1.06

Stamp duty 31.1.06

Stamp duty 31.1.06

Ready 31.1.06

31.01.06

C.O. 10.0

: 1 :

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.711 OF 2005
CONNECTED WITH
COMPANY APPLICATION NO.589 OF 2005

In the matter of the Companies Act,
1956;

AND

In the matter of the Scheme of
Amalgamation of Airline Financial
Support Services (India) Limited And
Aviation Software Development
Consultancy India Limited And TCS
Business Transformation Solutions
Limited with Tata Consultancy
Services Limited.



Airline Financial Support Services)
(India) Limited).. Petitioner

Mr. Janak Dwarkadas i/b.AZB & Partners for the
Petitioner.

Mr. C. J. Joy with Mr. R.C. Master for the
Regional Director.

Mr. S. Gupta, Official Liquidator, present.

CORAM : SMT. NISHITA MHATRE, J.

DATED: 9TH DECEMBER 2005

P.C. :

1. This is a Petition to obtain sanction to the
proposed Scheme of Amalgamation under Sections 391
to 394 of the Companies Act, 1956 with Tata
Consultancy Services Limited.

2. Heard Advocates.

TRUE - COPY

M. D. NARVEKAR

COMPANY REGISTRAR
HIGH COURT (G.E.)

HIGH COURT, BOMBAY

029043

: 2 :

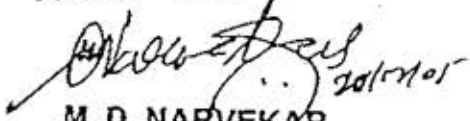
3. Mr.Dwarkadas appearing for the Petitioner does not press prayer clause (f) of the Petition.

4. All statutory requirements have been complied with by the Petitioner. The Regional Director, who is represented in Court, and the Official Liquidator, present in Court, have no objection. Hence, the Petition is made absolute in terms of prayer clauses (a) to (k), except prayer clause (f), subject to payment of costs to Regional Director and Official Liquidator quantified at Rs.2,500/- each.

5. All concerned parties including concerned Registrar of Companies to act on the ordinary copy of the Order and Scheme annexed to the Petition, authenticated by the Company Registrar, High Court, Bombay.

6. Filing of drawn up order is dispensed with.

TRUE - COPY


M. D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

HIGH COURT, BOMBAY

0215226

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 196 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO.181 OF 2013

Retail FullServe Limited

...Petitioner/Transferor Company

AND

COMPANY SCHEME PETITION NO. 197 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO.182 OF 2013

Computational Research Laboratories Limited

...Petitioner/Transferor Company

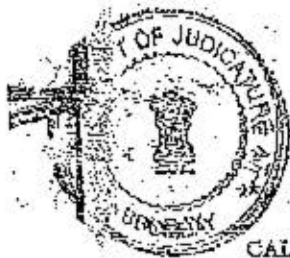
IN THE MATTER of the Companies
Act, 1956;

AND

IN THE MATTER of Sections 391 to
394 of the Companies Act, 1956;

AND

IN THE MATTER of Scheme of
Amalgamation of Computational
Research Laboratories Limited and
Retail FullServe Limited with Tata
Consultancy Services Limited and
their respective shareholders.



CALL FOR HEARING

- (A) Mr. Venkatesh Dhond, Mr. Anoj Menon, Ms. Dhanyashree Shah and Ms. Aditi Singhvi i/b M/s. Desai & Diwanji, Advocates for both the Petitioner Companies.
- (B) Mrs. R. N. Sutar, Asst. Official Liquidator for both Petitioner Companies.
- (C) Mr. R.C. Master a/w Mrs. Jyotsna N. Pandhi i/b Mr. H. P. Chaturvedi for Regional Director for both Petitioner Companies.

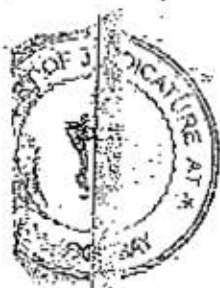
Coram: Ranjit More, J.

Dated: 22nd March 2013

HIGH COURT, BOMBAY

0215225

1. Heard learned counsels for the Parties. No objector has come before the Court to oppose the Scheme and nor any party has contravened averments made in the Petitions.
2. The sanction of this Court is sought under Sections 391 to 394 of the Companies Act, 1956 to the Scheme of Amalgamation of Computational Research Laboratories Limited and Retail FullServe Limited with Tata Consultancy Services Limited and their respective shareholders.
3. Learned counsel for the Petitioner Companies states that the Petitioner Company in Company Scheme Petition No. 196 of 2013 is engaged in the business of providing information technology and Business Process Outsourcing services. The Petitioner Company in Company Scheme Petition No. 197 of 2013 is engaged in the business of conducting research and development relating to high performance computing and allowing usage of computers, including providing services in the field of information technology. The Transferee Company is presently engaged in various businesses including providing information technology and information technology enabled services. The justification for the Scheme is set out in paragraph 26 of the Petitions which inter-alia states that the amalgamation would lead to more efficient utilization of capital for enhanced development and growth of the consolidated business in one entity, administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. The synergies created by the amalgamation would increase operational efficiency and integrate business functions. The

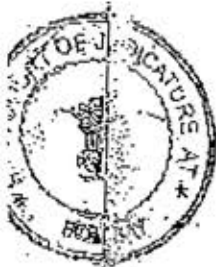


HIGH COURT, BOMBAY

0215224

proposed amalgamation will reduce managerial overlaps, which are necessarily involved in running multiple entities.

4. The Petitioner Companies approved the said Scheme by passing the Board Resolutions which are annexed to the Company Scheme Petitions. The learned counsel for the Petitioner Companies further states that, Petitioner Companies have complied with all the directions passed in the respective Company Summons for Directions and that the respective Company Scheme Petitions have been filed in consonance with the orders passed in the respective Company Summons for Directions.
5. The abovenamed Petitioner Companies are wholly owned subsidiaries of Tata Consultancy Services Limited, the Transferee Company and no new shares are required to be issued to the shareholders of the Transferor Companies. In view of the rulings given by this Hon'ble Court in the matters of *Bon Limited Vs. Hindustan Unilever Limited and Mahaganga Investments Ltd. vs. Idl Limited*, the filing of a separate petition by the Transferee Company was dispensed with by an Order passed by this Hon'ble Court on 8th March 2013 in the Company Summons for Direction No. 181 of 2013 and the Company Summons for Direction No. 182 of 2013.
6. The Learned Counsel appearing on behalf of the Petitioner Companies has stated that they have complied with all requirements as per directions of this Hon'ble Court and they have filed necessary affidavits of compliance in this Hon'ble Court. Moreover, the Petitioner Companies undertake to comply with all the statutory requirements, if any, as required under the Companies Act, 1956 and the rules made thereunder. The undertaking is accepted.



HIGH COURT, BOMBAY

0215223

7. The Official Liquidator has filed the report dated 19th March 2013 stating that the affairs of the Petitioner/Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.
8. The Regional Director has filed an Affidavit dated 21st March 2013 stating therein that save and except as stated in paragraphs 6 (a), (b) and (c) of the said Affidavit of the Regional Director, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraphs 6 (a), (b) and (c) of the said Affidavit of the Regional Director, the Regional Director has stated that:

"(a) With reference to clause 11.4, 15 and 18 of the Scheme, it is submitted that the 2nd Transferor Company's registered office has been shifted from the State of Karnataka to the State of Maharashtra and fresh certificate of incorporation has been issued by the Registrar of Companies, Mumbai on 04/01/13. Hence, the Hon'ble High Court is having jurisdiction in respect of 2nd Transferor Company also.

(b) Clause 17.4 of the Scheme states that the difference between the net assets (assets less liabilities) and reserves of the Transferor Companies transferred to the Transferee Company after making the adjustment in clauses 17.2 and 17.3 of the Scheme shall be adjusted in the reserves. In this connection it is suggested that the excess value arising out of this Scheme be credited in Capital Reserve Account of the Transferee Company.

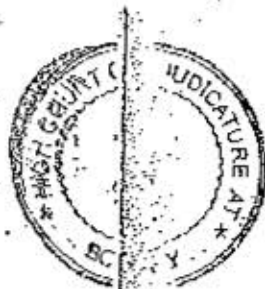


HIGH COURT, BOMBAY

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[c] Clause 13.3 of the Scheme have no relevance at this stage in the Scheme. Hence that clause may be deleted".

9. So far as observations made in paragraph 6 (a) of the said Affidavit of the Regional Director is concerned, the members of the 2nd Transferor Company i.e. the Petitioner Company in Company Scheme Petition No. 196 of 2013, in an Extra Ordinary General Meeting held on 17th September 2012 accorded their consent vide a special resolution for shifting of the registered office of the said Petitioner Company from the State of Karnataka to the State of Maharashtra. Pursuant to an order of the Regional Director, South East Region, dated 26th November, 2012, the registered office of the said Petitioner Company was shifted from the State of Karnataka to the State of Maharashtra. The learned counsel for the Petitioner Companies states that the fresh certificate of incorporation has been issued by the Registrar of Companies, Mumbai on 04th January 2013 which is tendered and taken on record and marked as "X". Hence, this Hon'ble High Court has jurisdiction to entertain the Company Scheme Petition No. 196 of 2013.
10. So far as observations made in paragraph 6 (b) of the said Affidavit of the Regional Director are concerned, the Petitioner Companies through its Counsel undertakes that the reserves arising out of this Scheme will not be treated as a Reserve and will be transferred to Capital Reserve. The said undertaking is accepted.
11. So far as observations made on paragraph 6 (c) of the said Affidavit of the Regional Director are concerned, the Learned Counsel for the Petitioner Companies states that clause 13.3 of the Scheme is not relevant at this stage as the Composite Scheme of Arrangement between Tata Consultancy Services Limited and TCS e-Serve

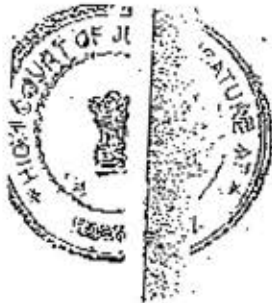


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Limited and TCS e-Scrv International Limited and their respective shareholders has not come into effect. In view thereof, the Petitioner Companies undertake to delete clause 13.3 of the Scheme. In view of the above leave to amend by deleting clause 13.3 of the Scheme is granted. Amendment to be carried out within two weeks from the date of the order.

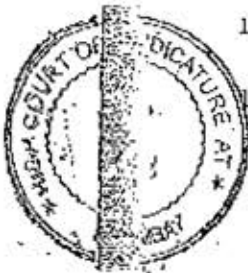
12. The Learned Counsel for the Regional Director on instructions from Mr. M Chandanamoorthu, Joint Director, in the office of the Ministry of Corporate Affairs states that they are satisfied with the undertaking given by the Petitioner Companies through their Counsel. All the said undertakings are accepted.
13. From the entire material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and it is not contrary to public policy. None of the Parties concerned have come forward to oppose the Scheme.
14. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 196 of 2013 is made absolute in terms of prayer clauses (a) to (d), (f) and (g) thereunder and the Company Scheme Petition No. 197 of 2013 filed by the respective Petitioner Companies is made absolute in terms of prayer clauses (a) to (d), (f) and (g) thereunder.
15. The Petitioner Companies in both the Company Scheme Petitions to pay cost of Rs. 10,000 each to the Regional Director and to the Official Liquidator. Costs to be paid within four weeks from the date of the order.



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16. The Petitioner Companies to lodge a copy of this Order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of this Order.
17. The Petitioner Companies to file a copy of this order alongwith a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with e-Form 21, in addition to physical copy, as per the relevant provisions of the Act.
18. Filing and issuance of the drawn up order is dispensed with.
19. All authorities concerned to act on a copy of this Order duly authenticated by the Company Registrar, High Court (O.S.), Bombay.



TRUE-COPY

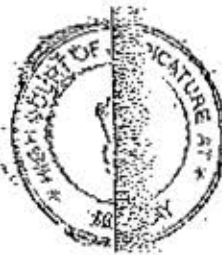
25/03/2013
Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

(RANJIT MORE J.)

TRUE COPY

26.3.2013
Section Officer
High Court, Appellate Side
Bombay

SCHEME OF AMALGAMATION
OF
COMPUTATIONAL RESEARCH LABORATORIES LIMITED
AND
RETAIL FULLSERVE LIMITED
WITH
TATA CONSULTANCY SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956



PREAMBLE

This Scheme of Amalgamation provides for the amalgamation of (i) Computational Research Laboratories Limited, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Ephemeros Building, 10, Veer Nariman Road, Mumbai 400 001, India; and (ii) Retail FullServe Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Level 3, Pine Valley, Embassy Golf Links Business Parks, Bengaluru, 560 071, India; with Tata Consultancy Services Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, India, pursuant to the relevant provisions of the Companies Act, 1956.

1. DEFINITIONS

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

- 1.1. "Act" or "the Act" means the Companies Act, 1956, or any modifications or re-enactment thereof from time to time;
- 1.2. "Appointed Date" means October 1, 2012 for Transferee Company No. 1 and April 1, 2012, for Transferee Company No. 2, or such other date(s) as the High Court of Karnataka at Bangalore or the Hon'ble High Court of Karnataka (if necessary) or such other competent authority may approve / fix;
- 1.3. "Effective Date" means the last of the dates specified in clause 2 of this Scheme;

- 1.4. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) made under clause 19 of this Scheme or any modifications approved or directed by the High Court of Judicature at Bombay, or the Hon'ble High Court of Karnataka (if necessary);
- 1.5. "Transferee Company" means Tata Consultancy Services Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 9th Floor, Nirmai Building, Nariman Point, Mumbai 400 021, India;
- 1.6. "Transferor Companies" means Transferor Company No.1 and Transferor Company No. 2 collectively;
- 1.7. "Transferor Company No. 1" means Computational Research Laboratories Limited, a company incorporated under the Companies Act, 1956 having its registered office at Elphinstone Building, 10, Veer Nariman Road, Mumbai 400 001, India, and
- 1.8. "Transferor Company No. 2" means Retail FoliServe Limited, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Level 3, Pinn Valley, Embassy Golf Links Business Park, Bengaluru, 560 071, India.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Hon'ble High Court of Judicature at Bombay or if necessary, the Hon'ble High Court of Karnataka, shall be effective from the Appointed Date but shall be operative from the last of the following dates, namely:

- i. That on which the last of the consents, approvals, permissions, resolutions and orders as mentioned in clause 20.1 has been obtained or passed; or
- ii. That on which all necessary certified copies of orders under Sections 391 to 394 of the Act has been duly filed with the appropriate Registrar of Companies.

The last of such dates shall be the "Effective Date" for the purpose of this Scheme

3. NATURE OF BUSINESS

3.1. Nature of Business of Transferor Company No. 1

Transferor Company No. 1 is, *inter alia*, engaged in the business of conducting research and development relating to high performance computing and allowing usage of computers, including providing consultation services in the field of information technology.

3.2. Nature of Business of Transferor Company No. 2

Transferor Company No. 2 is, *inter alia*, engaged in the business of providing information technology and business process outsourcing services.



3.3. Nature of Business of Transferee Company

The Transferee Company is, *inter alia*, engaged in the business of providing of information technology and information technology enabled services.

4. CAPITAL STRUCTURE

4.1. As on September 30, 2012, the share capital of Transferor Company No. 1 is as under:

Particulars	Amount
	(In Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
175,000,000 equity shares of Rs. 10/- each	1,750,000,000
Total	1,750,000,000

Issued Capital
Equity Shares
 175,000,000 equity shares of Rs. 10/- each, fully paid-up.

Subscribed and Paid-up Capital
 171,500,000 equity shares of Rs. 10/- each, fully paid-up, of which 171,499,400 shares are held by the Transferee Company and 600 shares are held by the Transferee Company jointly with some employees of the Transferee Company, who hold these shares as nominees of the Transferee Company.

Total **1,715,000,000**

4.2. As on March 31, 2012, the share capital of Transferor Company No. 2 is as under:

Particulars	Amount
	(In Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
50,000 equity shares of Rs. 10/- each	500,000
<u>Preference Shares</u>	
25,000 preference shares of Rs. 10/- each	250,000
Total	750,000

Issued, Subscribed and Paid-up Capital
Equity Shares



50,000 equity shares of Rs. 10/- each fully paid-up, of which 49,994 shares are held by the Transferee Company and 6 shares are held by the Transferee Company jointly with some employees of the Transferee Company, who hold these shares as nominees of the Transferee Company.

	500,000
<i>Total</i>	<i>500,000</i>

4.3. As on March 31, 2012, the share capital of the Transferee Company is as under:

Particulars	Amount (in Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
2,250,000,000 equity shares of Re. 1/- each	2,250,000,000
<i>Preference shares</i>	
1,000,000,000 preference shares of Re. 1/- each	1,000,000,000
<i>Total</i>	<i>3,250,000,000</i>

Issued, Subscribed and Paid-up Capital

<i>Equity Shares</i>	
1,957,220,996 equity shares of Re. 1/- each fully paid up	1,957,220,996
<i>Preference shares</i>	
1,000,000,000 preference shares of Re. 1/- each	1,000,000,000
<i>Total</i>	<i>2,957,220,996</i>

Since the dates mentioned above, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Companies and the Transferee Company.

5. BACKGROUND AND RATIONALE FOR THE SCHEME

----- The background and circumstances which justify the said amalgamation are, *inter alia*, as follows:

- 5.1 The Transferee Company had acquired the entire paid-up equity share capital of Transferor Company No. 1 on August 16, 2012 and Transferor Company No. 2 on October 2, 2010 from its erstwhile owners.
- 5.2 The Transferee Company and the Transferor Companies are in the information technology services business which can be carried out more efficiently under one amalgamated entity.



The Transferor Companies are wholly owned subsidiaries of the Transferee Company. A consolidation of the Transferor Companies and the Transferee Company by way of amalgamation would therefore lead to a more efficient

utilization of capital for enhanced development and growth of the consolidated business in one entity.

- 5.4 The proposed amalgamation will result in administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. It will prevent cost duplication that can erode financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Companies and achieve better cash flows. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.

- 5.5 The proposed amalgamation will reduce managerial overlaps, which are necessarily involved in running multiple entities. The Transferor Companies are wholly owned subsidiaries of the Transferee Company and all the shares of the Transferor Companies are presently held by the Transferee Company in its own name or jointly with its employees, who hold the shares as nominees of the Transferee Company. The Scheme envisages transfer of the entire undertaking of the Transferor Companies to the Transferee Company. Accordingly, the Scheme is not prejudicial to the interest of the shareholders of the Transferor Companies. As far as the creditors of the Transferor Companies are concerned the assets of the Transferor Companies (taken together) are more than their total liabilities. Further post the amalgamation, the assets of the Transferee Company will be greater than its liabilities. Accordingly, the creditors of the Transferor Companies will also not be affected by the Scheme.

- 5.6 The Scheme does not affect the rights and interests of the shareholders or the creditors of the Transferee Company. The shareholding and other rights of the members of the Transferee Company will remain unaffected as no new shares are being issued by the Transferee Company to the shareholders of the Transferor Companies and there is no change in the capital structure. Further the creditors of the Transferee Company will not be affected by the Scheme since the assets of the Transferor Companies (taken together) are more than the liabilities of the Transferor Companies. Further post the amalgamation, the assets of the Transferee Company shall be greater than its liabilities. Accordingly, the creditors of the Transferee Company will also not be affected by the Scheme.

6. AMALGAMATION OF COMPANIES

- 6.1. Upon coming into effect of this Scheme and with effect from the Appointed Date, each Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme, and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, all the assets, unbilled revenues, debts, outstanding credits, liabilities, duties and obligations whatsoever concerning the Transferor Companies as on the Appointed Date shall, accordingly, stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in the Transferee Company, as under. Without prejudice to the generality of the above, all benefits, concessions, reliefs including but not limited to the benefits under income tax (including tax relief under the Income-tax Act, 1961, such as credit for advance tax, taxes deducted at



source, carry forward of Minimum Alternate Tax Credit, carry forward of tax losses including unabsorbed depreciation, continuity of tax holiday / deduction available, if any, etc.), service tax (including benefits of any unutilized CENVAT/ service tax credits, etc.), excise, value added tax, sales tax (including deferment of sales tax), benefits, etc. for and under the Software Technology Parks of India, Special Economic Zones or any other registrations, etc., to which the Transferor Companies are entitled to in terms of various statutes and/or schemes of Union, State and Local Governments/ bodies and/ or otherwise, shall be available to and vest in the Transferee Company.

6.1.3 In respect of such of the assets of the Transferor Companies as are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery, the same may be so transferred by the Transferor Companies, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company to the end and intent that the ownership and property therein passes to the Transferee Company on such handing over in pursuance of the provisions of Section 394 of the Act.

6.1.2 In respect of such of the assets belonging to the Transferor Companies other than those referred to in sub-clause 6.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and / or be deemed to be transferred to and stand vested in the Transferee Company pursuant to the provisions of Section 394 of the Act.

6.1.3 In relation to the assets belonging to the Transferor Companies, which require separate documents of transfer, the parties will execute the necessary documents, as and when required.

6.1.4 The transfer and vesting of all the assets of the Transferor Companies, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and/or encumbrances shall be confined only to the relative assets of the Transferor Companies or part thereof on or over which they are subsisting on transfer to and vesting of such assets in the Transferee Company and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which any of the Transferor Companies is a party) to any assets of the Transferor Companies shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security thereof.

In respect of the debts, liabilities, duties and obligations of the Transferor Companies, it is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any



contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.

6.2. For the removal of doubt, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstanding as between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

6.3. The provisions of this Scheme as they relate to the amalgamation of the Transferor Companies into the Transferee Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

6.4. Upon the Scheme becoming effective, the Transferor Companies and the Transferee Company shall be entitled, wherever necessary and pursuant to the provisions of this Scheme, to file or revise their financial statements, tax returns, tax deduction at source certificates, tax deduction at source returns, and other statutory returns, and shall have right to claim refunds, advance tax credits, credit for minimum alternate tax carry forward of losses, deductions, tax holiday benefits, deductions or any other credits, and / or set off all amounts paid by the Transferor Companies or the Transferee Company under the relevant laws relating to Income Tax, Value Added Tax, Service Tax, Central Sales Tax or any other tax, as may be required consequent to the implementation of the Scheme.

7. LEGAL PROCEEDINGS

If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against the Transferor Companies are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Companies, in the absence of the Scheme.

8. CONTRACTS AND DEEDS

8.1. All contracts, deeds, bonds, agreements, arrangements, incentives, licences, engagements, approvals and registrations (including Software Technology Parks



of India, Special Economic Zone and any other registrations) and other instruments of whatsoever nature to which the Transferor Companies are parties or to the benefit of which the Transferor Companies may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary therein.

- 8.2. The Transferee Company shall, if and to the extent required by law, cause to and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that the Transferor Companies is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Companies.

9. SAYING OF CONCLUDED TRANSACTIONS

The transfer of the assets and liabilities of the Transferor Companies under clause 6 above, the continuance of Proceedings under clause 7 above and the effectiveness of contracts and deeds under clause 8 above, shall not affect any transaction or Proceedings already concluded by the Transferor Companies on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto, as if done and executed on its behalf.

10. EMPLOYEES

- 10.1. All the employees of the Transferor Companies in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company on terms and conditions not less favourable as applicable to them on the Effective Date.
- 10.2. On and from the Effective Date, the services of the employees of the Transferor Companies will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of the various Funds (as defined herein below).
- 10.3. With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of the Transferor Companies, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Funds shall become those of the Transferee Company. In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust,



gratuity trust, superannuation trust, welfare trust, or any other such trust existing for the benefit of the employees of the respective Transferor Companies, such funds shall be transferred by such trustees of the trusts of the Transferor Companies, to separate trusts and the trustees of the Transferee Company if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income Tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose, the trusts created by the Transferor Companies shall be transferred/merged with the respective trust(s) of the Transferee Company and/or configured by the Transferee Company, if permitted by law, failing which the Transferee Company shall establish similar trusts ensuring that there is continuity in this regard. The Trustees, including the Board of Directors of the Transferee Company, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or breakage in the service of the employees of the Transferor Companies. Notwithstanding the above, the Board of Directors of the Transferee Company, if it deems fit and subject to applicable law, shall be entitled to retain separate trusts / schemes within the Transferee Company for each of the erstwhile trusts / schemes of the Transferor Companies.

11. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

- 11.1. The Transferor Companies shall be deemed to have been carrying on and shall carry on their respective businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the Transferor Companies for and on account of, and in trust for, the Transferee Company. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.
- 11.2. The Transferor Companies shall carry on their respective businesses and activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof (except in the ordinary course of business).
- 11.3. All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Companies or expenditure or losses arising or incurred or suffered by the Transferor Companies from the Appointed Date shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.

- 11.4. On and after the Appointed Date and until the Effective Date, the Transferor Companies shall not without the prior written approval of the Board of Directors of



the Transferee Company except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

12. DIVIDENDS

- 12.1. The Transferor Companies and the Transferee 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.
- 12.2. Subject to the provisions of the Scheme, the profits of the Transferor Companies, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit, post the Effective Date.
- 12.3. 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 the Transferor Companies and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferor Companies and the Transferee Company, subject to such approval of the shareholders, as may be required.

13. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY

- 13.1. Upon coming into effect of the Scheme, the authorized share capital of the Transferor Companies shall be deemed to be added to the authorized share capital of the Transferee Company without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees.
- 13.2. Upon coming into effect of the Scheme, Clause no. V of the Memorandum of Association of the Transferee Company shall, without any further act, deed or instrument, be substituted by the following clause:

"The Authorized Share Capital of the Company is Rs. 5,000,250,000 (Rupees Five hundred crore seven lakh and fifty thousand only) divided into 1,000,500,000 (Four hundred crore and five lakh) Equity Shares of Re.1 (Rupee one only) and 1,000,250,000 (One hundred crore two lakh and fifty thousand only) Redeemable Preference Shares of Re.1 (Rupee one only) each with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors of the Company or by the Company in a general meeting, or applicable, in conformity with the provisions of the Companies Act, 1956 ('Act') and may, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares



of higher or lower denominations in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being.

13.3— The Transferor Company, TCS e-Serve Limited (e-Serve) and TCS e-Serve International Limited (TESI) have also propounded a Company Scheme of Arrangement under Sections 394 to 394A of the Act (e-Serve Scheme). In terms of the e-Serve Scheme, upon the e-Serve Scheme becoming effective, the authorized share capital of e-Serve shall be deemed to be added to the authorized share capital of the Transferee Company without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees in view of the above, subject to the e-Serve Scheme becoming effective (subsequent to this Scheme between the Transferor Companies and the Transferee Company becoming effective). Clause no. V of the Memorandum of Association of the Transferee Company shall without any further act, deed or instrument be substituted by the following clause:

"The Authorized Share Capital of the Company is Rs. 5,250,750,000 (Rupees Five hundred twenty five crore seven lakh and fifty thousand only) divided into 4,200,500,000 (Four hundred twenty crore and five lakh) Equity Shares of Rs.1 (Rupee one only) and 1,050,250,000 (One hundred five crore two lakh and fifty thousand) Redeemable Preference Shares of Rs. 1 (Rupee one only) each with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified, or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors of the Company or by the Company in a general meeting, as applicable, in conformity with the provisions of the Companies Act, 1956 (Act) and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being.

Deceased and per order dated 22/03/13

Company Registrar



13.4. It shall be deemed that the members of the Transferor Company have also resolved and accorded all relevant consents under Section 17 of the Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 17 of the Act for the amendment of the Memorandum of Association of the Transferee Company as above.

14. CONSIDERATION

The Transferor Companies are wholly owned by the Transferee Company and therefore there would be no issue of shares by the Transferee Company in this regard.



15. CHANGE OF REGISTERED OFFICE OF THE TRANSFEROR COMPANY NO. 2.

The Transferor Company No.2 has already initiated necessary steps for shifting its registered office from the State of Karnataka to the State of Maharashtra. For the purpose of this Scheme, the application/petitions under Section 391 to 394 of the Act shall be made to the High Court where the registered office of Transferor Company No. 2 is situated.

16. DISSOLUTION OF THE TRANSFEROR COMPANIES

16.1. On the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up and without any further act by the parties.

16.2. On and with effect from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

17. ACCOUNTING TREATMENT

The Transferee Company shall follow pooling of interest method of accounting for the amalgamation as per Accounting Standard - 14 prescribed by Companies (Accounting Standards) Rules, 2006.

17.1. All Assets & Liabilities, including Reserves, of the Transferor Companies shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form.

17.2. The equity shares held by the Transferor Company in Transferor Companies will stand cancelled and there shall be no further obligation in that behalf.

17.3. The inter-corporate deposits/ loans and advances / balance outstanding between the Transferor Companies and the Transferee Company will stand cancelled and there shall be no further obligation in that behalf.

17.4. The difference between the net assets (assets less liabilities) and reserves of the Transferor Companies transferred to the Transferee Company, after making the adjustments as mentioned in clauses 17.2 and 17.3 above shall be adjusted in the reserves.

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



18. APPLICATIONS TO THE HIGH COURT

The Transferor Companies and the Transferee Company (if required) shall, with all reasonable dispatch, make applications to the Hon'ble High Court of Judicature at Bombay or Hon'ble High Court of Karnataka (if necessary), where the respective registered offices of the Transferor Companies and the Transferee Company are situated for sanctioning this Scheme under Sections 391 to 394 of the Act for an order or orders thereof for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.

19. MODIFICATIONS/AMENDMENTS TO THE SCHEME

19.1. The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatever by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter connected or connected therewith.

19.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorized person(s) of the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question or doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

20. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

The Scheme is conditional upon and subject to:

20.1 Approval of the Scheme by the requisite majority of the respective members and such class of persons of the Transferor Companies and the Transferee Company as may be directed by the Hon'ble High Court of Judicature at Bombay or Hon'ble High Court of Karnataka (if necessary), as the case may be.

20.2 Sanctions and Orders under the provisions of Section 391 read with Section 394 of the Act being obtained by the Transferor Companies and the Transferee Company from the Hon'ble High Court of Judicature at Bombay or the Hon'ble High Court of Karnataka (if necessary).



20.3 All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

21. COSTS

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or Court's order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.

22. REVOCATION OF THE SCHEME

In the event of any of the said sanctions and approvals referred to in clause 20 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Hon'ble High Court of Judicature at Bombay or the Hon'ble High Court of Karnataka (if necessary) and/or order or orders not being passed as aforesaid before September 30, 2013 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Companies and the Transferee Company who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if such boards are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on all/any of the



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FOR DESAI & DIWANJI

PARTNER / ASSISTANT
ADVOCATES SOLICITORS & NOTARIES
LENTIN CHAMBERS, DALAL STREET,
FORT, MUMBAI - 400 001.

TRUE-COPY
26/03/2013
Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

IN THE HIGH COURT OF JUDICATURE AT
BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 196 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO. 181
OF 2013

Retail FullServe Limited ... Petitioner/Transferor
Company

AND

COMPANY SCHEME PETITION NO. 197 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO. 182
OF 2013

Computational Research
Laboratories Limited ... Petitioner/Transferor
Company

IN THE MATTER
Companies Act, 1956

AND

IN THE MATTER of Sections
391 to 394 of the Companies
Act, 1956;

AND

IN THE MATTER of Scheme of
Amalgamation of Computational
Research Laboratories Limited
and Retail FullServe Limited
with Tata Consultancy Services
Limited and their respective
shareholders.

Authenticated copy of the minutes of Order
dated 22nd March, 2013 along with Scheme of
Amalgamation

26/08/2013
26/08/2013
Examinated by
Examinated by
Examinated with
26/08/2013

M/s. Desai & Diwanji
Advocates for the Petitioner
Lenin Chambers, 2nd Floor,
Dalal Street, Fort
Mumbai 400001

HIGH COURT, BOMBAY

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**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

**COMPANY SCHEME PETITION NO. 576 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO.346 OF 2013**

Tata Consultancy Services .. Petitioner / Transferee Company
AND

**COMPANY SCHEME PETITION NO. 577 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO.347 OF 2013**

TCS e-Serve Limited .. Petitioner/First Transferor Company
AND

**COMPANY SCHEME PETITION NO. 578 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO.348 OF 2013**

TCS e-Serve International Limited

.. Petitioner/Second Transferor Company

IN THE MATTER of the Companies
Act, 1956;

AND

IN THE MATTER of Sections 391 to
394 of the Companies Act, 1956;

AND

IN THE MATTER of Composite
Scheme of Arrangement between Tata
Consultancy Services Limited ('TCS')
and TCS e-Serve Limited ('e-Serve')
and TCS e-Serve International Limited
(TEIL') and their respective
shareholders.



Called for Hearing

Senior Advocate Mr. Venkatesh Dhond, Ms. Dhanyashree Shah an Ms. Henna Daulat i/b M/s. Desai & Diwanji, Advocates for Petitioner Company

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

Mrs.R.N.Sutar, Asst.Official Liquidator present in CSP No.577 of 2013

--

CORAM : N.M. JAMDAR, J.**DATE : 6 September 2013****P.C.:**

1. Heard learned counsel for parties. No objector has come before the Court to oppose the Scheme and nor any party has contravened averments made in the Petition.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to a Composite Scheme of Arrangement between Tata Consultancy Service Limited ("TCS") and TCS e-Serve Limited ("e-Serve") and TCS e-Serve International Limited ("TEIL") and their Respective Shareholders.
3. The learned Counsel for the Petitioner Companies states that the Petitioner Company in Company Scheme Petition No. 576 of 2013 (TCS) is engaged in the business of provision of information technology and information technology enabled services. The Petitioner Companies in Company Scheme Petition No. 577 of 2013 and Company Scheme Petition No. 578 of 2013 respectively (e-Serve and TEIL) are engaged in the



business of providing information technology enabled services, business process outsourcing services (BPO) for their customers primarily in the Banking, Financial Services and Insurance domain and their operations include delivering core business process services, analytics / insights and support services for both data and voice processes. The consolidation of the businesses by amalgamating e-Serve into TCS and demerging the TEIL SEZ Undertaking to TCS on a going concern basis, will lead to synergies of operations and would enable TCS and TEIL to participate more profitably in their respective businesses in an increasingly competitive and liberalized market. As TCS holds a substantial majority (directly/ indirectly) of the share capital of e-Serve and TEIL, it would be in order to consolidate the business of the entities in the manner proposed in the Scheme. The proposed arrangement will result in administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. It will prevent cost duplication that can erode financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, TCS will offer a strong financial structure to creditors of e-Serve and the TEIL SEZ Undertaking to achieve better cash flows. The synergies created by the consolidation would increase operational efficiency and integrate business functions.

4. The Petitioner Companies have approved the said Scheme by passing Board Resolutions in their respective meetings which



are annexed to the respective Company Scheme Petitions.

5. The learned Counsel for the Petitioners states that the Petitioner Companies have complied with all the directions passed in the respective Company Summons for Directions and that the respective Scheme Petitions have been filed in consonance with the orders passed in respective Company Summons for Directions.
6. The Learned Counsel appearing on behalf of the Petitioner Companies has stated that they have complied with all requirements as per directions of this Court and they have filed necessary Affidavits of compliance in this Hon'ble Court. Moreover, Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made there under. The said undertakings given by the Petitioner Companies are accepted.
7. A letter has been received by the Company Registrar addressed by an advocate stating that he has instructions on behalf of Oriental Bank of Commerce one of the unsecured creditors. It is stated in the letter that the Oriental Bank of Commerce has no objection to the composite scheme as long as their interests are not affected. The Company Registrar informs that advocate concerned has not filed his vakalatnama. In the circumstances, it is doubtful whether he can represent for the Oriental Bank of Commerce. Even otherwise, a specific statement has been made in the petition that the decision after scheme of arrangement



takes place will not affect any secured or unsecured creditors as the financial position thereafter will be sufficient to take care of any debts if at all. Learned counsel reiterates this position. In view thereof, there does not appear to be any impediment in the sanction of scheme as all requisite authorities have already given their no objections and as point raised, the petitioner has given requisite undertaking.

8. The Regional Director has filed an Affidavit on 2nd September 2013 stating therein that save and except as stated in paragraph 6 of the said Affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said Affidavit it is stated that:

(a) *"Clause 13.5 of the Scheme states that the difference between the net assets (assets less than liabilities) and reserves of e-Serve transferred to TCS, after making adjustments as mentioned in clauses 13.2 to 13.4 of the Scheme shall be adjusted in the reserves. In this regard, it is submitted that the reserve if any arising out of this scheme be transferred to Capital Reserve Account of the Transferee Company."*

(b) *"Clause 23.3 of the scheme states that the difference between the net assets of TEIL SEZ Undertaking acquired and recorded by TCS after making adjustments in terms of clauses 23.2 of the scheme shall be adjusted in the General Reserve. In this regard, it submitted that the reserve if any arising out of this scheme be transferred to Capital Reserve Account of Transferee Company."*



(c) *"The shares of the Transferor Company and Transferee Company are held by foreign body corporate. Hence, while giving effect to the scheme, by issuing shares by the Transferee Company to the Transferor Company, the petitioner companies may be directed to comply with FEMA/RBI regulations as applicable in this regard."*

9. So far as the observations made in para 6(a) of the said Affidavit of the Regional Director is concerned, the Petitioner Companies through their Counsel undertake that as stated in Clause 13.5 of the Scheme, the difference between the net assets (assets less than liabilities) and reserves of e-Serve transferred to TCS, after making adjustments as mentioned in clauses 13.2 to 13.4 of the Scheme will be transferred to the Capital Reserve Account of the Transferee Company.
10. So far as the observations made in para 6(b) of the said Affidavit of the Regional Director is concerned, the Petitioner Companies through their Counsel undertake that as stated in Clause 23.3 of the scheme states that the difference between the net assets of TEIL SEZ Undertaking acquired and recorded by TCS after making adjustments in terms of clauses 23.2 of the scheme will be transferred to Capital Reserve Account of the Transferee Company.
11. So far as the observations made in para 6(c) of the said Affidavit of the Regional Director are concerned, the Petitioner



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Companies through their Counsel undertake that while giving effect to the Scheme, by issuing shares by Transferee Company to 1st Transferor Company, the Transferee Company will comply with all the FEMA/ RBI regulations applicable in this regard.

12. The Learned Counsel for the Regional Director on instructions from Mr. Rajesh Dalmiya, Deputy Director in the office of the Ministry of Corporate Affairs states that they are satisfied with the undertakings given by the Petitioner Companies through their Counsel. All the said undertakings given by the Petitioner Companies are accepted.
13. The Official Liquidator has filed his report dated 28th August 2013 in Company Scheme Petition No. 577 of 2013 stating therein that the affairs of the Petitioner Company therein(e-Serve) have been conducted in a proper manner and that the Petitioner Company therein may be ordered to be dissolved.
14. From the entire material on record, the Scheme of between TCS, e-Serve and TEIL and their respective Shareholders appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.
15. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition Nos.576 of 2013, 577



HIGH COURT, BOMBAY

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of 2013 and 578 of 2013 are made absolute in terms of prayer clauses (a) to (g) of the respective Petitions.

16. The Petitioner Companies to lodge a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court, Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the order.
17. The Petitioner Companies to file a copy of this order along with a copy of the Composite Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with e-Form 21 in addition to physical copy as per the provisions of law.
18. The Petitioners in all the Company Scheme Petitions to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai. The Petitioner Company in the Company Scheme Petition No. 577 of 2013 to pay costs of Rs.10,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the order.
19. Filing and issuance of the drawn up order is dispensed with.
20. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.



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24/9/13
Mrs. K. M. JAMNANI
HIGH COURT, BOMBAY
Section Officer
High Court, Appellate Side
Bombay

N.M.JAMDAR, J.

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COMPOSITE SCHEME OF ARRANGEMENT
BETWEEN
TATA CONSULTANCY SERVICES LIMITED ('TCS')
AND
TCS e-SERVE LIMITED ('e-Serve')
AND
TCS e-SERVE INTERNATIONAL LIMITED ('TEIL')
AND
THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 391 to 394 OF THE COMPANIES ACT, 1956

This Composite Scheme of Arrangement is presented under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 for: (i) amalgamation of e-Serve with TCS; and (ii) demerger of the TEIL SEZ Undertaking (as defined in clause 1.10) to TCS.

Although this Scheme is divided into parts for the purpose of convenience, it is to be implemented as a single inseparable comprehensive Scheme of Arrangement.

This Composite Scheme of Arrangement is divided into the following parts:

- 1.1 Part I deals with the Preamble;
- 1.2 Part II deals with the Definitions and Share Capital;
- 1.3 Part III deals with the background and rationale of the Scheme;
- 1.4 Part IV deals with the amalgamation of TCS e-Serve Limited with Tata Consultancy Services Limited;
- 1.5 Part V deals with the demerger of the TEIL SEZ Undertaking into Tata Consultancy Services Limited; and
- 1.6 Part VI deals with the general terms and conditions applicable to the Scheme.

Part IV and Part V of the Scheme shall be deemed to have occurred and shall become effective and operative only in the sequence and order mentioned in the Scheme.

PART I – PREAMBLE

- I. Tata Consultancy Services Limited is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021, India.

- II. TCS e-Serve Limited is a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Block No. B-3, Nirlon Knowledge Park, Western Express Highway, Goregaon (East), Mumbai – 400 063, India.
- III. TCS e-Serve International Limited is a company incorporated under the provisions the Companies Act, 1956, having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021, India.
- IV. Pursuant to the relevant provisions of the Companies Act, 1956, this Composite Scheme of Arrangement provides for:
 - (a) Amalgamation of e-Serve into TCS; and
 - (b) Demerger of the TEIL SEZ Undertaking (as defined hereunder) to TCS.

PART II – DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Composite Scheme of Arrangement, unless repugnant to or inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1. **"Act" or "the Act"** means the Companies Act, 1956, or any statutory modifications, re-enactments or amendments thereof from time to time;
- 1.2. **"Appointed Date"** means April 1, 2013 or such other date(s) as the board of directors of TCS, TEIL and e-Serve may decide or such other date(s) as the Hon'ble High Court of Judicature at Bombay or such other competent authority may approve / fix;
- 1.3. **"Effective Date"** means the last of the dates specified in clause 2 of this Scheme;
- 1.4. **"e-Serve"** means TCS e-Serve Limited, a company incorporated under the provisions of the Act having its registered office at Block No. B-3, Nirlon Knowledge Park, Western Express Highway, Goregaon (East), Mumbai – 400 063, India;
- 1.5. **"Record Date"** means the date to be fixed by the Board of Directors of TCS and e-Serve for the purpose of determining the shareholders of e-Serve who are eligible to get shares of TCS, as per this Scheme;
- 1.6. **"Scheme" or "the Scheme" or "this Scheme"** means this Composite Scheme of Arrangement in its present form or with any modification(s) made under clause 30 of this Scheme or any modifications approved or directed by the Hon'ble High Court of Judicature at Bombay;
- 1.7. **"TCS" or "the Transferee Company"** means Tata Consultancy Services Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, India;
- 1.8. **"TEIL"** means TCS e-Serve International Limited, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021, India;
- 1.9. **"Residual TEIL"** means businesses, activities and undertakings of TEIL other than TEIL SEZ Undertaking.

- 1.10. "TEIL SEZ Undertaking" means and includes business of TEIL which is primarily engaged in the business of providing Information Technology(IT) and Information Technology Enabled Services (ITES) carried out at the SEZ locations at i) TCS e-Serve International Ltd., Block 5, 7th Floor, Block 9, 9th Floor, DLF IT Park, 1/124, Mount Poonamallee Road, Shivaji Garden, Nandambakkam Post, Manapakkam, Chennai – 600089, ii) TCS e-Serve International Ltd, Tower A1 & A2, Floor 8 & 9, Unitech Infospace SEZ, Infospace SEZ, Newtown, Rajarhat, Kolkata – 700156, ii) TCS e-Serve International Limited, Tower A, 2nd Floor, Building 6, W Block, DLF Phase III, Gurgaon – 122002 along with all related assets, liabilities, employees including specifically the following:

1.10.1 All identified assets and liabilities of TEIL pertaining to the TEIL SEZ Undertaking, however, excluding the assets and liabilities of TEIL which does not form part of the TEIL SEZ Undertaking;

1.10.2 Without prejudice to the generality of the provisions of sub-clause 1.10.1 above, the TEIL SEZ Undertaking shall include all debts, liabilities, contingent liabilities, duties, obligations and provisions and all other assets and properties, present or contingent and including but without being limited to vehicles, fixed assets, current assets, unbilled revenues, provisions, funds, leases, licenses, hire purchase and lease arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations, benefits of agreements, contracts and arrangements and all other interests in connection with or relating to the TEIL SEZ Undertaking and in particular the certifications, registrations with government authorities, public sector undertakings, other industrial units, permits, allotments and other statutory registrations, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, advances, receivables, and all other rights, claims and powers of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the TEIL in connection with or pertaining or relatable to the TEIL SEZ Undertaking and all earnest money and/or deposits including security deposits paid by TEIL in connection with or relating to the TEIL SEZ Undertaking

For the purpose of this Scheme, it is clarified that liabilities pertaining to the TEIL SEZ Undertaking include:

- (a) The liabilities which arise out of the activities or operations of the TEIL SEZ Undertaking ;
- (b) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the TEIL SEZ Undertaking .
- (c) Liabilities other than those referred to in sub-clauses (a) and (b) above and not directly relatable to the Residual TEIL being the amounts of general or multipurpose borrowings of TEIL shall be allocated to the TEIL SEZ Undertaking in the same proportion which the value of the assets transferred under this clause bears to the total value of the assets of TEIL immediately before giving effect to this Scheme

1.10.3 All permanent employees of TEIL employed in the TEIL SEZ Undertaking, and such other employees as identified by the Board of Directors of TEIL, as on the Effective Date;

1.10.4 all books, records, files, papers, directly or indirectly relating to the TEIL SEZ Undertaking;



- 1.10.5 any question that may arise as to whether a specified asset or liability pertains or does not pertain to the TEIL SEZ Undertaking or whether it arises out of the activities or operations of the TEIL SEZ Undertaking shall be decided by mutual agreement between the Board of Directors of TEIL and TCS.

- 1.11. **"Transferor Companies"** shall collectively mean e-Serve and TEIL for the purpose of Parts IV and V of the Scheme, respectively.

The words importing the singular include the plural; words importing any gender include every gender.

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

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Hon'ble High Court of Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the last of the following dates, namely:

- (a) That on which the last of the consents, approvals, permissions, resolutions and orders as mentioned in clause 31 shall be obtained or passed; or
- (b) That on which all necessary certified copies of orders under Sections 391 and 394 of the Act shall be duly filed with the appropriate Registrar of Companies.

The last of such dates shall be the **"Effective Date"** for the purpose of this Scheme.

3. **NATURE OF BUSINESS**

3.1 **Nature of Business of TCS**

TCS is, *inter alia*, engaged in the business of provision of information technology and information technology enabled services.

3.2 **Nature of Business of e-Serve**

e-Serve is engaged in the business of providing information technology enabled services, business process outsourcing services (BPO) for its customers primarily in the Banking, Financial Services and Insurance domain. e-Serve's operations include delivering core business process services, analytics / insights and support services for both data and voice processes.

3.3 **Nature of Business of TEIL**

TEIL is engaged in the business of providing information technology enabled services, business process outsourcing services (BPO) for its customers primarily in Banking, Financial Services and Insurance domain. TEIL's operations include delivering core business process services, analytics / insights and support services for both data and voice processes.



4. CAPITAL STRUCTURE

4.1 As on March 31, 2012, the share capital of TCS is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
2,250,000,000 equity shares of Re 1/- each	2,250,000,000
<u>Preference shares</u>	
1,000,000,000 preference shares of Re. 1/- each	1,000,000,000
Total	3,250,000,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
1,957,220,996 equity shares of Re. 1/- each fully paid up	1,957,220,996
<u>Preference shares</u>	
1,000,000,000 preference shares of Re. 1/- each	1,000,000,000
	2,957,220,996

4.2 As on March 31, 2012, the share capital of e-Serve is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
20,000,000 equity shares of Rs. 10/- each	200,000,000
<u>Preference shares</u>	
5,000,000 preference shares of Re. 10/- each	50,000,000
Total	250,000,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
12,400,000 equity shares of Rs. 10/- each, fully paid-up	124,000,000
Total	124,000,000

4.3 As on March 31, 2012, the share capital of TEIL is as under:

Particulars	Amount
	(In Rupees)
<u>Authorized Capital</u>	
<u>Equity Shares</u>	
2,500,000 equity shares of Rs. 100/- each	250,000,000
Total	250,000,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Equity Shares</u>	
1,000,000 equity shares of Rs. 100/- each, fully paid-up	100,000,000
Total	100,000,000

PART – III - BACKGROUND AND RATIONALE FOR THE SCHEME

5. The background and circumstances which justify this Scheme are, *inter alia*, as follows:

- 5.1
 - (a) TCS holds 96.26% of the paid-up equity share capital of e-Serve.
 - (b) TEIL is a wholly owned subsidiary of e-Serve; and
 - (c) TCS indirectly holds 96.26% of TEIL.
- 5.2 Under this Scheme, it is proposed to amalgamate e-Serve into TCS and demerge TEIL SEZ Undertaking into TCS.
- 5.3 The proposed Scheme would result in the following benefits:
 - (a) The consolidation of the businesses by amalgamating e-Serve into TCS and demerging the TEIL SEZ Undertaking to TCS on a going concern basis, will lead to synergies of operations and would enable TCS and TEIL to participate more profitably in their respective businesses in an increasingly competitive and liberalized market;
 - (b) As TCS holds a substantial majority (directly/ indirectly) of the share capital of e-Serve and TEIL, it would be in order to consolidate the business of the entities in the manner proposed in this Scheme. The proposed arrangement will result in administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. It will prevent cost duplication that can erode financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, TCS will offer a strong financial structure to creditors of e-Serve and the TEIL SEZ Undertaking to achieve better cash flows. The synergies created by the consolidation would increase operational efficiency and integrate business functions;
 - (c) Enhancing the scale of operations and reduction in overheads, administrative, managerial and other expenditure, operational rationalization, organizational efficiency and optimal utilization of various resources;

- (d) Reduce managerial overlaps, which are necessarily involved in running multiple entities and;
 - (e) Improve shareholder value for the companies.
- 5.4 The Scheme will not adversely affect the rights and interests of the shareholders of TCS. Further the creditors of TCS will also not be affected by the Scheme as assets of e-Serve and the TEIL SEZ Undertaking are (individually and together) greater than the liabilities of e-Serve and the TEIL SEZ Undertaking and post-consolidation, the assets of TCS will also be much greater than its liabilities.
- 5.5 The Scheme will not adversely affect the rights and interests of the shareholders of e-Serve and TEIL. Further the creditors of e-Serve and the TEIL SEZ Undertaking will not be affected by the Scheme as the assets of TCS will be much greater than its liabilities post the Scheme.
- 5.6 The Scheme will not adversely affect the rights and interest of the creditors of the Residual TEIL as the assets of the Residual TEIL will be greater than the liabilities of the Residual TEIL.

PART IV - AMALGAMATION OF E-SERVE WITH TCS

6. AMALGAMATION OF E-SERVE:



- 6.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, e-Serve shall stand amalgamated with TCS as provided in the Scheme, and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, all the assets, unbilled revenues, debts, outstanding, credits, liabilities, duties and obligations whatsoever concerning e-Serve as on the Appointed Date shall, accordingly, stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in TCS, as under. Without prejudice to the generality of the above, all benefits, concessions, reliefs including but not limited to the benefit(s) under income tax (including tax relief under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, carry forward of Minimum Alternate Tax Credit, carry forward of tax losses including unabsorbed depreciation, continuity of tax holiday/ deduction available, if any, etc.), service tax (including benefits of any unutilized CENVAT/ service tax credits, etc.), excise, value added tax, sales tax (including deferment of sales tax), benefits, etc. for and under Software Technology Parks of India or any other registrations (if any), etc., to which e-Serve is entitled to in terms of various statutes and/ or schemes of Union, State and Local Governments/ bodies and/ or otherwise shall be available to and vest in TCS.
- 6.1.1 In respect of such of the assets of e-Serve as are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery, and the same may be so transferred by e-Serve, without requiring any deed or instrument of conveyance for the same and shall become the property of TCS to the end and intent that the ownership and property therein passes to TCS on such handing over in pursuance of the provisions of Section 394 of the Act.
- 6.1.2 In respect of such of the assets of e-Serve other than those referred to in sub-clause 6.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in TCS pursuant to the provisions of Section 394 of the Act.

- 6.1.3 In relation to the assets belonging to e-Serve, which require separate documents of transfer, the parties will execute necessary documents, as and when required.
- 6.1.4 The transfer and vesting of the assets of e-Serve, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and/ or encumbrances shall be confined only to the relative assets of e-Serve or part thereof on or over which they are subsisting on transfer to and vesting of such assets in TCS and no such charges, mortgages, and/ or encumbrances shall be enlarged or extend over or apply to any other asset(s) of TCS. Any reference in any security documents or arrangements (to which e-Serve is a party) to any assets of the e-Serve shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of TCS and TCS shall not be obliged to create any further or additional security thereof.
- 6.1.5 In respect of the debts, liabilities, duties and obligations of e-Serve, it is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.
- 6.2 For the removal of doubt, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstanding as between e-Serve and TCS, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of TCS for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.
- 6.3 In financial year 2008-09, TCS acquired interest in e-Serve from Citigroup Inc. ("Citibank") in respect of tax contingencies of e-Serve, TCS is required to pay/receive amounts equivalent to tax refunds or additional tax payments outstanding as on the date of acquisition. Any such payments would be required to be adjusted against the cost of investment. As a result of the amalgamation of e-Serve into TCS, such payments, if any, will be dealt with in accordance with clause 13.6.
- 6.4 The provisions of this Scheme as they relate to the amalgamation of e-Serve into and with TCS have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

7. LEGAL PROCEEDINGS

If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against e-Serve, are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation specified in this Part IV of the Scheme or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against TCS, as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against e-Serve, in the absence of the Scheme.

8. CONTRACTS AND DEEDS

- 8.1 All contracts, deeds, bonds, agreements, arrangements, incentives, licenses, engagements, approvals and registrations (including Software Technology Parks of India, Special Economic Zone (SEZ) and/or any other registrations) and other instruments of whatsoever nature, to which e-Serve is a party or to the benefit of which e-Serve may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of TCS as the case may be, and may be enforced by or against TCS as fully and effectually as if, instead of e-Serve, TCS had been a party or beneficiary thereto.
- 8.2 TCS shall, if and to the extent required by law, enter into and/ or issue and/ or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that e-Serve is required, prior to the Effective Date, to join in such deeds, writings or confirmations, TCS shall be entitled to act for and on behalf of and in the name of e-Serve.

9. EMPLOYEES

- 9.1 All the employees of e-Serve in service on the Effective Date shall, on and from the Effective Date, become the employees of TCS on terms and conditions not less favourable as applicable to them on the Effective Date.
- 9.2 On and from the Effective Date, the services of the employees will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of the various Funds (as defined herein below).
- 9.3 With regard to provident fund, gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "**said Funds**") of e-Serve, upon the Scheme becoming effective, TCS shall stand substituted for e-Serve for all purposes whatsoever relating to the administration or operation of such Funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such schemes or Funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of e-Serve in relation to such Funds shall become those of TCS. In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust, gratuity trust, superannuation trust, welfare trust, or any other such trust existing for the benefit of the employees of e-Serve, such funds shall be transferred by such trustees of the trusts of e-Serve, to separate trusts and the trustees of TCS if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income-tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/ or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of TCS so as to continue the benefits of the employees. For this purpose, the trusts created by e-Serve shall be transferred/ merged with the respective trust of TCS and/or continued by TCS, if permitted by law, failing which TCS shall establish similar trusts ensuring that there is continuity in this regard. The trustees, including the Board of Directors of TCS, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or breakage in the service of the employees of e-Serve. Notwithstanding the above, the Board of Directors of TCS if it deems fit and subject to applicable law shall be entitled to retain separate trusts / schemes within TCS for each of the erstwhile trusts / schemes of e-Serve.



10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the approval of the Scheme by the Board of Directors and up to and including the Effective Date:

- 10.1 e-Serve shall be deemed to have been carrying on and shall carry on its business and related activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of e-Serve for and on account of, and in trust for TCS. e-Serve hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 10.2 e-Serve shall carry on its business and related activities with reasonable diligence, business prudence and shall not (without the prior written consent of TCS) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof (except in the ordinary course of business).
- 10.3 All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to e-Serve or expenditure or losses arising or incurred or suffered by e-Serve from the Appointed Date shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of TCS, as the case may be.
- 10.4 Until the Effective Date, e-Serve shall not without the prior written approval of the Board of Directors of TCS and except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

11. DIVIDENDS

- 11.1 e-Serve and TCS 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.
- 11.2 Subject to the provisions of the Scheme, the profits of e-Serve, for the period beginning from the Appointed Date, shall belong to and be the profits of TCS and will be available to TCS for being disposed of in any manner as it thinks fit, post the Effective Date.
- 11.3 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 e-Serve and/ or TCS to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board Of Directors of e-Serve and TCS, subject to such approval of the shareholders, as may be required.

12. CONSIDERATION

- 12.1 Upon the Scheme becoming effective, all the shares held by TCS in e-Serve, i.e. 1,19,36,313 equity shares of Rs. 10 each constituting 96.26% of the total paid-up share capital of e-Serve shall stand automatically cancelled and there shall be no further obligation in that behalf.

- 12.2 As far as consideration for the balance shareholding of 3.74% held by the public shareholders in e-Serve is concerned, upon the Scheme becoming effective, and without any further application, act or deed, TCS shall, in consideration of the amalgamation, issue and allot to every equity shareholder (other than TCS) of e-Serve holding fully paid-up equity shares in e-Serve and whose names appear on the register of members of e-Serve on the Record Date, thirteen (13) equity shares of Re. 1/-each ("**New Shares**") in TCS credited as fully paid up with rights attached hereto as hereinafter mentioned for every four (4) equity shares of Rs. 10/- each fully paid up held by such member in the capital of e-Serve.
- 12.3 The new equity shares in TCS to be issued to the equity shareholders of e-Serve pursuant to clauses 12.1 and 12.2 above shall be subject to the Memorandum and Articles of Association of TCS.
- 12.4 Subject to the provisions of this Scheme, the New Shares to be issued and allotted to the shareholders of e-Serve pursuant to this Scheme shall in all respects, rank pari passu with the existing equity shares of TCS in respect of dividend, bonus, right shares, voting rights and other corporate benefits.
- 12.5 The Board of Directors of TCS shall consolidate all fractional entitlements arising due to the issue of New Shares to the shareholders of e-Serve and thereupon issue and allot equity shares in lieu thereof to a separate trust (to be created) which shall hold these equity shares in trust for and on behalf of the members entitled to such fractional entitlements with the express understanding that such trust shall sell the same at such time or times and at such price or prices to such person or persons, as it deems fit. The said trust shall distribute such net sale proceeds to the members entitled to these fractional entitlements in the same proportion as their respective fractional entitlements bear to the consolidated fractional entitlements.
- 12.6 In respect of the equity shares of e-Serve already held in dematerialized form, the New Shares to be issued by TCS in lieu thereof shall also be issued in dematerialized form with the shares being credited to the existing depository accounts of the members of e-Serve entitled thereto. In respect of the equity shares of e-Serve held in the physical form, each member of e-Serve holding such shares shall have the option, to be exercised by way of giving a notice to TCS, on or before the Record Date, to receive the New Shares of TCS either in a physical form or in a dematerialized form. In the event that such notice has not been received by TCS in respect of any member, the New Shares of TCS shall be issued to such member in physical form.
- 12.7 The shares of e-Serve held by its equity shareholders (both in physical and dematerialized form) whose names appear in the register of members and the records of the depository as on the Record Date, shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled. The said equity shares of e-Serve held in physical form shall be deemed to have been automatically cancelled without any requirement to surrender the certificates for shares held by the shareholders of e-Serve. TCS shall take such corporate actions in relation to the equity shares of e-Serve held in dematerialized form, as may be necessary.
- 12.8 It shall be deemed that the members of e-Serve and TCS who have approved the Scheme have also resolved and accorded all relevant consents under Section 81(1A) of the Act or any other provisions of the Act to the extent the same may be considered applicable and that there will be no need to pass a separate shareholders' resolution as required under Section 81 (1A) of the Act.



13. ACCOUNTING TREATMENT

TCS shall follow pooling of interest method for accounting of the amalgamation as per Accounting Standard-14 prescribed by Companies (Accounting Standards) Rules, 2006.

- 13.1 All assets & liabilities including reserves, of e-Serve shall be recorded in the books of account of TCS at their existing carrying amounts and in the same form.
- 13.2 TCS shall credit the aggregate face value of the New Shares of TCS issued by it to the shareholders of e-Serve pursuant to clause 12.2 to its share capital account.
- 13.3 The equity shares held by TCS in e-Serve appearing in the books of account of TCS, will stand cancelled and there shall be no further obligation in that behalf.
- 13.4 The inter-corporate deposits / loans and advances / balance outstanding between TCS and e-Serve will stand cancelled and there shall be no further obligation in that behalf;
- 13.5 The difference between the net assets (assets less liabilities) and reserves of e-Serve transferred to TCS, after making the adjustments as mentioned in clause 13.2 to 13.4 above, shall be adjusted in the reserves.
- 13.6 In case of payment to be made as specified under clause 6.3 above, the same shall be adjusted to the reserves of TCS for an amount equivalent to the net tax assets (advance taxes less tax liabilities) of e-Serve on the date of acquisition by TCS.
- 13.7 In case of any difference in accounting policy between e-Serve and TCS, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of TCS to ensure that the financial statements of TCS reflect the financial position on the basis of consistent accounting policy.

14. AUTHORISED SHARE CAPITAL OF THE MEMORANDUM OF ASSOCIATION OF TCS

- 14.1 Upon coming into effect of the Scheme, the authorized share capital of e-Serve shall be deemed to be added to the authorized share capital of TCS without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees.
- 14.2 It is clarified that the approval of the members of TCS to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum of Association of TCS as required under Section 17 and other applicable provisions of the Act.

15. DISSOLUTION OF e-SERVE

- 15.1 On the Scheme becoming effective, e-Serve shall be dissolved without being wound up and without any further act by the parties to this Scheme.
- 15.2 On and with effect from the Effective Date, the name of e-Serve shall be struck off from the records of the relevant Registrar of Companies. TCS shall make necessary filings in this regard.

PART V – DEMERGER OF THE TEIL SEZ UNDERTAKING INTO TCS

16. DEMERGER OF THE TEIL SEZ Undertaking:

- 16.1 The TEIL SEZ Undertaking as defined in clause 1.10 shall stand transferred to and vested in or deemed to be transferred to and vested in TCS, as a going concern, in accordance with Section 2(19AA) of the Income-tax Act, 1961 and in the manner as follows.
- 16.2 Upon coming into effect of this Scheme and with effect from the Appointed Date, the TEIL SEZ Undertaking including all the assets, unbilled revenues, debts, outstanding, credits, liabilities, duties and obligations whatsoever concerning the TEIL SEZ Undertaking on the Appointed Date, shall stand transferred to and vested in and/ or be deemed to be and stand transferred to and vested in TCS pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, as under. Without prejudice to the generality of the above, all benefits, concessions, reliefs related to the TEIL SEZ Undertaking including but not limited to the benefit/s under income tax (including tax relief under the Income-tax Act, 1961 such as, credit for advance tax, taxes deducted at source, carry forward of Minimum Alternate Tax Credit, carry forward of tax losses including unabsorbed depreciation, continuity of tax holiday/ deduction available, if any, etc.), service tax (including benefits of any unutilized CENVAT/ service tax credits, etc), excise, value added tax, sales tax (including deferment of sales tax), benefits etc. for and under Special Economic Zones or any other registrations (if any), etc., to which the TEIL SEZ Undertaking is entitled to in terms of various statutes and/ or schemes of Union, State and Local Governments/bodies and/ or otherwise shall be available to and vest in TCS]
- 16.2.1 In respect of such of the assets of the TEIL SEZ Undertaking which are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery, and the same may be so transferred by TEIL, without requiring any deed or instrument of conveyance for the same and shall become the property of TCS to the end and intent that the ownership and property therein passes to TCS on such handing over in pursuance of the provisions of Section 394 of the Act.
- 16.2.2 In respect of such of the assets of the TEIL SEZ Undertaking other than those referred to in sub-clause 16.2.1 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and/ or be deemed to be transferred to and stand vested in TCS pursuant to the provisions of Section 394 of the Act.
- 16.2.3 In relation to the assets belonging to the TEIL SEZ Undertaking, which require separate documents of transfer, the parties will execute necessary documents, as and when required.
- 16.2.4 The transfer and vesting of all identified assets of the TEIL SEZ Undertaking, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof provided however that such charges, mortgages and/ or encumbrances shall be confined only to the relative assets of the TEIL SEZ Undertaking or part thereof on or over which they are subsisting on transfer to and vesting of such assets in TCS and no such charges, mortgages, and/ or encumbrances shall be enlarged or extend over or apply to any other asset(s) of TCS. Any reference in any security documents or arrangements (to which TEIL is a party) to any assets of the TEIL SEZ Undertaking shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of



TCS and TCS shall not be obliged to create any further or additional security thereof.

16.2.5 In respect of the identified debts, liabilities, duties and obligations of the TEIL SEZ Undertaking, it is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.

16.3 For the removal of doubt, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstanding as between TEIL and TCS to the extent of loans, deposits, obligations, balances or other outstanding in respect of the TEIL SEZ Undertaking, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of TCS for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

17. LEGAL PROCEEDINGS

If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against TEIL in connection with or pertaining to or relating to the TEIL SEZ Undertaking, are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the demerger specified in this Part V of the Scheme or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against TCS, as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against TEIL, in the absence of the Scheme.

18. CONTRACTS AND DEEDS

18.1 All contracts, deeds, bonds, agreements, arrangements, incentives, licenses, engagements, approvals and registrations (including Software Technology Parks of India, Special Economic Zone (SEZ) and/or any other registrations) and other instruments of whatsoever nature in connection with or pertaining to or relating to the TEIL SEZ Undertaking to which TEIL is a party or to the benefit of which TEIL may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of TCS as the case may be, and may be enforced by or against TCS as fully and effectually as if, instead of TEIL, TCS had been a party or beneficiary thereto.

18.2 TCS shall, if and to the extent required by law, enter into and/ or issue and/ or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that TEIL is required, prior to the Effective Date, to join in such deeds, writings or confirmations, TCS shall be entitled to act for and on behalf of and in the name of TEIL.

19. EMPLOYEES

19.1 All the employees of the TEIL SEZ Undertaking in service on the Effective Date shall, on and from the Effective Date, become the employees of TCS on terms and conditions not less favourable as applicable to them on the Effective Date.

19.2 On and from the Effective Date, the services of the employees will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of

membership and the application of the rules or bye-laws of the various Funds (as defined herein below).

- 19.3 With regard to provident fund, gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "**said Funds**") of the TEIL SEZ Undertaking, upon the Scheme becoming effective, TCS shall stand substituted for TEIL for all purposes whatsoever relating to the administration or operation of such Funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such Funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of TEIL in relation to such Funds shall become those of TCS. In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund trust, gratuity trust, superannuation trust, welfare trust, or any other such trust existing for the benefit of the employees of the TEIL SEZ Undertaking, such funds shall be transferred by such trustees of the trusts of TEIL, to separate trusts and the trustees of TCS if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income-tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/ or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of TCS so as to continue the benefits of the employees. For this purpose, the trusts created by TEIL shall be transferred/ merged with the respective trust of TCS and/ or continued by TCS, if permitted by law, failing which TCS shall establish similar trusts ensuring that there is continuity in this regard. The trustees, including the Board of Directors of TEIL and TCS, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or breakage in the service of the employees of the TEIL SEZ Undertaking. Notwithstanding the above, the Board of Directors of TCS if it deems fit and subject to applicable law shall be entitled to retain separate trusts / schemes within TCS for each of the erstwhile trusts / schemes of TEIL, in connection with or pertaining to or relatable to the TEIL SEZ Undertaking.

20. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the approval of the Scheme by the Board of Directors and up to and including the Effective Date:

- 20.1 TEIL shall be deemed to have been carrying on and shall carry on the business of the TEIL SEZ Undertaking and related activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the respective assets of the TEIL SEZ Undertaking for and on account of, and in trust for TCS. TEIL hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 20.2 TEIL shall carry on the business of the TEIL SEZ Undertaking and related activities with reasonable diligence, business prudence and shall not (without the prior written consent of TCS) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof related to the TEIL SEZ Undertaking (except in the ordinary course of business).
- 20.3 All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to TEIL in connection with or pertaining to or relatable to the TEIL SEZ Undertaking or expenditure or losses arising or incurred or suffered by TEIL in connection with or pertaining to or relatable to the TEIL SEZ Undertaking from the Appointed Date shall for all purpose be treated and be deemed to

be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of TCS, as the case may be.

- 20.4 Until the Effective Date, TEIL shall not without the prior written approval of the Board of Directors of TCS and except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.

24.

21. DIVIDENDS

- 21.1 TEIL and TCS 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.

25.

- 21.2 Subject to the provisions of the Scheme, the profits of TEIL, for the period beginning from the Appointed Date, shall belong to and be the profits of TCS and will be available to TCS for being disposed of in any manner as it thinks fit, post the Effective Date.

- 21.3 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 TEIL and/ or TCS to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board Of Directors of TEIL and TCS, subject to such approval of the shareholders, as may be required.

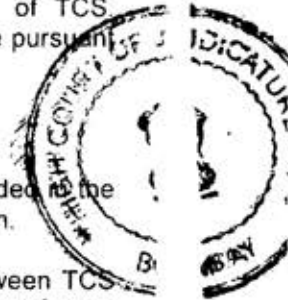
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22. CONSIDERATION

TEIL is a wholly owned subsidiary of e-Serve. As part of this Scheme, on amalgamation of e-Serve with TCS as mentioned in Part IV, TEIL will become a wholly owned subsidiary of TCS. Accordingly, the requirement of issuance of shares by TCS to TEIL will not be applicable pursuant to the demerger.

23. ACCOUNTING TREATMENT IN BOOKS OF TCS

- 23.1 All identified assets and liabilities, of the TEIL SEZ Undertaking shall be recorded in the books of account of TCS at their existing carrying amounts and in the same form.
- 23.2 The inter-corporate deposits / loans and advances / balance outstanding between TCS and TEIL SEZ Undertaking, if any, will stand cancelled and there shall be no further obligation/ outstanding in that behalf.
- 23.3 The difference between the net assets of TEIL SEZ Undertaking acquired and recorded by TCS after making adjustments in terms of clause 23.2 above shall be adjusted in the General Reserve.
- 23.4 In case of any difference in accounting policy between TCS and TEIL with respect to the TEIL SEZ Undertaking, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of TCS to ensure that the financial statements of TCS reflect the financial position on the basis of consistent accounting policy.



24. **ACCOUNTING TREATMENT IN BOOKS OF TEIL**

TEIL shall reduce the book value of assets and liabilities pertaining to the TEIL SEZ Undertaking and the surplus/ deficit arising out of the same shall be adjusted against its surplus in statement of profit and loss.

25. **TAXES**

All taxes including income tax, central sales tax, custom duty, service tax, VAT and the like paid or payable by TEIL in respect of the operation and / or the profits of the TEIL SEZ Undertaking before the Appointed Date, shall be to the account of TEIL and, insofar as tax payment (including, without limitation, income tax, sales tax, custom duty, service tax, VAT etc) whether by way of deduction at source, advance tax or otherwise howsoever, by TEIL with respect to the TEIL SEZ Undertaking after the Appointed Date, the same shall be to the account of TCS and be deemed to be the corresponding item paid by TCS and shall, in all proceeding, be dealt with accordingly.

26. **RESIDUAL TEIL**

- 26.1 The Residual TEIL and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and managed by TEIL.
- 26.2 All legal, taxation or other proceedings whether civil or criminal (including proceedings before any statutory or quasi-judicial authority or tribunal) by or against TEIL under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Residual TEIL (including those relating to any property, right, power, liability, obligation or duties of TEIL in respect of the Residual TEIL) shall be continued and enforced by or against TEIL.
- 26.3 With effect from the Appointed Date and upto and including the Effective Date:
- (a) TEIL shall carry on and shall be deemed to have been carrying on all business and activities relating to the Residual TEIL for and on its own behalf;
 - (b) all profits accruing to TEIL thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Residual TEIL shall, for all purposes, be treated as the profits or losses, as the case may be, of TEIL; and
 - (c) All assets and properties acquired by TEIL in relation to Residual TEIL on and after the Appointed Date shall belong to and continue to remain vested in TEIL;



PART VI - GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

17. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer of the assets and liabilities of the Transferor Companies under clauses 6 and 16 above, the continuance of Proceedings under clauses 7 and 17 above and the effectiveness of contracts and deeds under clauses 8 and 18 above, shall not affect any transaction or Proceedings already concluded by the Transferor Companies on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto, as if done and executed on its behalf.

28. **APPLICATIONS TO THE HIGH COURT**

32.

TEIL, e-Serve and TCS shall, with all reasonable dispatch, make applications to the Hon'ble High Court of Judicature at Bombay, where the respective registered offices of TCS, e-Serve and TEIL are situated, for sanctioning this Scheme under Sections 391 to 394 of the Act for an order or orders thereof for carrying this Scheme into effect and for dissolution of e-Serve without winding up.

29. **MODIFICATIONS/ AMENDMENTS TO THE SCHEME**

29.1 TEIL, e-Serve and TCS by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. TEIL, e-Serve and TCS by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

29.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorized person(s) of TCS may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question or doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

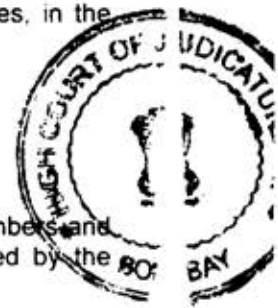
30. **SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS**

30.1 The Scheme is conditional upon and subject to:

- (a) Approval of the Scheme by the requisite majority of the respective members and such class of persons of TCS, e-Serve and TEIL as may be directed by the Hon'ble High Court of Judicature at Bombay.
- (b) Sanctions and Orders under the provisions of Section 391 read with Section 394 of the Act being obtained by TCS, e-Serve and TEIL from the Hon'ble High Court of Judicature at Bombay.
- (c) All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

31. **COSTS**

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or Court's order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by TCS.



32. **REVOCATION OF THE SCHEME**

In the event of any of the said sanctions and approvals referred to in clause 31 not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Hon'ble High Court of Judicature at Bombay and/or order or orders not being passed as aforesaid before September 30, 2013 or such other date as may be mutually agreed upon by the respective Board of Directors of the TEIL, e-Serve and TCS, who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* TEIL, e-Serve and TCS or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of TEIL, e-Serve and TCS shall be entitled to revoke, cancel and declare the Scheme of no effect if such boards are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on all/any of the companies.



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

TRUE COPY
FOR DESAI & DIWANJI
H. H. Desai

PARTNER / ASSISTANT
ADVOCATE SOLICITORS & NOTARIES
LENTIN CHAMBERS, DALAL STREET,
FORT, MUMBAI - 400 001.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 576 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO.346 OF 2013

Tata Consultancy Services

... Petitioner / Transferee Company

AND

COMPANY SCHEME PETITION NO. 577 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO.347 OF 2013

TCS e-Serve Limited

... Petitioner / First Transferor Company

AND

COMPANY SCHEME PETITION NO. 578 OF 2013
CONNECTED WITH
COMPANY SUMMONS OF DIRECTION NO.348 OF 2013

TCS e-Serve International Limited

... Petitioner / Second Transferor Company

IN THE MATTER of the Companies Act, 1956;

AND

IN THE MATTER of Sections 394 to 394 of the Companies Act, 1956;

AND

IN THE MATTER of Composite Scheme of Arrangement between Tata Consultancy Services Limited ('TCS') and TCS e-Serve Limited ('e-Serve') and TCS e-Serve International Limited ('TEIL') and their respective shareholders.



Authenticated copy of the minutes of Order dated 6th September, 2013 along with Scheme of Amalgamation

19/9/13
20/9/13
24/9/13
Examinated by Mr. Tarasakar
Compared with 24/09/13
Ready on 24/09/13

M/s. Desai & Diwanji
Advocates for the Petitioners
Lentin Chambers, 2nd Floor,
Dalal Street, Fort
Mumbai - 400001

HIGH COURT, BOMBAY

328580

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO.109 OF 2015

CONNECTED WITH

COMPANY SUMMONS OF DIRECTION NO. 939 OF 2014

WTI Advanced Technology Limited

...Petitioner Company

IN THE MATTER of the Companies Act,
1956;

AND

IN THE MATTER of Sections 391 to 394 of
the Companies Act, 1956;

AND

IN THE MATTER of WTI Advanced
Technology Limited;

AND

HIGH COURT, BOMBAY

328579

IN THE MATTER of Scheme of
Amalgamation of WTI Advanced
Technology Limited with Tata Consultancy
Services Limited and their respective
shareholders.

Called for Hearing

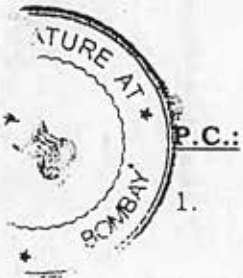
Mr. Dhiraj Mhetre i/b Desai & Diwanji, Advocates for the Petitioner

Mr. S. Ramakantha, Official Liquidator, Present Company Scheme Petition No.
109 of 2015

Mr. C.J. Joy i/b Mr. K.L. Kamboj for Regional Director in Company Scheme
Petition No. 109 of 2015

Coram: S.J. Kathawalla, J.

Dated: 27th March 2015



1. Heard Counsels for the parties. No objector has come before the Court to oppose the Scheme nor any party has controverted any averments made in the Petition.

2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Amalgamation between WTI Advanced Technology Limited with Tata Consultancy Service Limited and their respective shareholders.

3. The Learned Advocate for the Petitioner states that the Transferor Company is engaged in the business of providing Computer Aided Engineering/Manufacturing Services, Geographical Information System Services and Information Technology Services. The Transferee Company is presently engaged in various businesses including providing information technology and information technology enabled services.
4. The Learned Advocate of the Petitioner Company states that the Petitioner Company is a wholly owned subsidiary of the Transferee Company and there is no re-organization of share capital of the Transferee Company as all shares shall stand cancelled as per clause 17.2 of the Scheme and rights of creditors of the Transferee Company are not affected and in respect of the observations made by this court in Mahamba Investment Ltd. Vs. IDI Limited (2001) 105 Company cases page 16 to 18. In view thereof, the filing of separate Company Summons for Direction and Company Scheme Petition under Sections 391 and 394 of the Companies Act, 1956 by Tata Consultancy Services Limited, the Transferee Company was dispensed with vide Order dated 09 January 2015 passed in Company Summons for Direction No. 939 of 2014.
5. The benefit of the amalgamation of the Transferor Company with the Transferee Company is that the same would lead to a more efficient

HIGH COURT, BOMBAY

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utilization of capital for enhanced development and growth of the consolidated business in one entity and the synergies created by the amalgamation would increase operational efficiency and integrate business functions.

6. The Transferor and Transferee Companies have approved the said Scheme by passing Board Resolutions which are annexed to the Company Scheme Petition annexed as Exhibits G-1 and G-2.
7. The learned Advocate for the Petitioner further states that, the Petitioner Company has complied with all the directions given in the order dated 9th January, 2015, passed in Company Summons for Direction and that the Company Scheme Petition has been filed in consonance with the orders passed in respective Company Summons for Directions.
8. The learned counsel appearing on behalf of the Petitioner has stated that the Petitioner has complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, the Petitioner Company undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 1956/2013 and the Rules made there under, whichever applicable. The said undertaking is accepted.

9. The Official Liquidator has filed his report on 13 March 2015 in the Company Scheme Petition stating therein that the affairs of the Transferor Company has been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved by this Court.
10. The Regional Director has filed an Affidavit on 24 day of March, 2015 stating therein that save and except as stated in paragraphs 6 (a) and (b) of the said affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph 6 of the said affidavit it is stated that:

"6. That the deponent further submits that,

(a) With reference to clause 17.4 of the scheme, it is submitted that the surplus if any arising out of the scheme be credited to Capital Reserve Account of Transferee Company.

(b) That the Deponent further submits that the Tax issue if any arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the petitioner company after giving effect to the amalgamation. The decision of the Income Tax Authority is binding on the petitioner company."

11. In as far as observation in paragraph 6 (a) of the Affidavit of the Regional Director is concerned, the Petitioner Company through their Counsel undertakes that the surplus, if any arising out of the Scheme be credited to the Capital Reserve Account of the Transferee Company.
12. In as far as observation made in paragraph 6 (b) of the Affidavit of the Regional Director is concerned, the Petitioner Company through their Counsel submits that the Petitioner Company is bound to comply with all applicable provisions of the Income Tax Act, and all tax issues arising out of the Scheme will be met and answered in accordance with law.
13. The Learned Counsel for Regional Director on instructions of Mr. M. Chandanamuthu, Joint Director (Legal) in the office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai states that they are satisfied with undertakings given by the Petitioner Company. The aforesaid undertakings given by the Petitioner Company are accepted.
14. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.

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15. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 109 of 2015 filed by the Petitioner Company is made absolute in terms of prayer clauses (a), (c) and (f).
16. The Petitioner Company to file/lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bombay with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within sixty days from the date of the Order.
17. Petitioner is directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-form INC-28 in addition to physical copy as per the relevant provisions of the Companies Act 1956/2013, whichever is applicable.
18. The Petitioner Company to pay costs of Rs. 10,000/- to the Regional Director, Western Region, Mumbai and to pay costs of Rs.10,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the order.
19. Filing and issuance of the drawn up order is dispensed with.

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

(S. J. Kathawalla, J.)

TRUE COPY
[Signature]
T. H. 20/15
Section Officer
High Court, Appellate Side
Bombay

TRUE-COPY
[Signature]
17/04/2015
Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

SCHEME OF AMALGAMATION
OF
WTI ADVANCED TECHNOLOGY LIMITED
WITH
TATA CONSULTANCY SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

PREAMBLE

This Scheme of Amalgamation provides for the amalgamation of WTI Advanced Technology Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, India; with Tata Consultancy Services Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, India, pursuant to the relevant provisions of the Companies Act, 1956. The equity shares of the Transferee Company are listed on the BSE Limited and on the National Stock Exchange of India Limited (NSE) (collectively, the "Stock Exchanges").

DEFINITIONS

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

- 1.1. "Act" or "the Act" means the Companies Act, 1956, or any modifications thereof from time to time;
- 1.2. "2013 Act" means the Companies Act, 2013 and Rules framed thereunder as may be amended from time to time;
- 1.3. "Appointed Date" means April 1, 2014 or such other date(s) as the High Court of Judicature at Bombay or such other competent authority may approve / fix;
- 1.4. "Effective Date" means the last of the dates specified in clause 2 of this Scheme;

CERTIFIED TRUE COPY

For WTI ADVANCED TECHNOLOGY LTD

R. SANKAR
Company Secretary



- 1.5. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) made under clause 19 of this Scheme or any modifications approved or directed by the High Court of Judicature at Bombay;
- 1.6. "Stock Exchanges" shall have the meaning assigned to it in the preamble;
- 1.7. "Transferee Company" means Tata Consultancy Services Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, India;
- 1.8. "Transferor Company" means WTI Advanced Technology Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, India;

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Hon'ble High Court of Judicature at Bombay, shall be effective from the Appointed Date but shall be operative from the last of the following dates, namely:

- i. That on which the last of the consents, approvals, permissions, resolutions and orders as mentioned in clause 20.1 has been obtained or passed; or
- ii. That on which all necessary certified copies of orders under Sections 391 to 394 of the Act has been duly filed with the appropriate Registrar of Companies.

The last of such dates shall be the "Effective Date" for the purpose of this Scheme.

3. NATURE OF BUSINESS

3.1. Nature of Business of Transferor Company

Transferor Company is, *inter alia*, engaged in the business of Information Technology (IT) and IT Engineering Services (ITES). The IT/ITES consultancy services mainly comprises of Geographic Information Systems (GIS)/ Computer Aided Design (CAD), Engineering Services and Business Associate Services.

3.2. Nature of Business of Transferee Company

The Transferee Company is, *inter alia*, engaged in the business of providing of information technology and information technology enabled services.



4. CAPITAL STRUCTURE

4.1. As on June 30, 2014, the share capital of Transferor Company is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
Equity Shares	5,00,00,000
5,000,000 equity shares of `10 each	
<i>Total</i>	5,00,00,000
<u>Issued Capital</u>	
Equity Shares	10,485,070
1,048,507 equity shares of Rs.10 each, fully paid-up.	
<u>Subscribed and Paid-up Capital</u>	10,485,070
1,048,507 equity shares of Rs.10 each, fully paid-up., of which 1048500 shares are held by the Transferee Company and 7 shares are held by the Transferee Company jointly with seven individuals, who hold these shares as nominees of the Transferee Company.	
<i>Total</i>	10,485,070



4.2. As on June 30, 2014, the share capital of the Transferee Company is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
Equity Shares	4,200,500,000
4,200,500,000 equity shares of Re 1/- each	
Preference shares	1,050,250,000
1,050,250,000 preference shares of Re. 1/- each	
<i>Total</i>	5,250,750,000
<u>Issued, Subscribed and Paid-up Capital</u>	
Equity Shares	1,958,727,979
1,958,727,979 equity shares of Re. 1/- each fully paid up	
<i>Total</i>	1,958,727,979



Since the dates mentioned above, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Company and the Transferee Company.

5. BACKGROUND AND RATIONALE FOR THE SCHEME

The background and circumstances which justify the said amalgamation are, *inter alia*, as follows:

- 5.1 The Transferor Company was acquired by the Transferee Company in FY 2004-05 and hence became its wholly owned subsidiary.
- 5.2 The Transferee Company and the Transferor Company are in the information technology services business which can be carried out more efficiently under one amalgamated entity.
- 5.3 The Transferor Company is a wholly owned subsidiary of the Transferee Company. A consolidation of the Transferor Company and the Transferee Company by way of amalgamation would therefore lead to a more efficient utilization of capital for enhanced development and growth of the consolidated business in one entity.
- 5.4 The proposed amalgamation will result in administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. It will prevent cost duplication that can erode financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company and achieve better cash flows. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.
- 5.5 The proposed amalgamation will reduce managerial overlaps, which are necessarily involved in running multiple entities. The Transferor Company is a wholly owned subsidiary of the Transferee Company and all the shares of the Transferor Company are presently held by the Transferee Company in its own name or jointly with seven individuals, who hold the shares as nominees of the Transferee Company. The Scheme envisages transfer of the entire undertaking of the Transferor Company to the Transferee Company. Accordingly, the Scheme is not prejudicial to the interest of the shareholders of the Transferor Company. As far as the creditors of the Transferor Company are concerned the assets of the Transferor Company are more than its total liabilities. Further post the amalgamation, the assets of the Transferee Company will be greater than its liabilities. Accordingly, the creditors of the Transferor Company will also not be affected by the Scheme.
- 5.6 The Scheme does not affect the rights and interests of the shareholders or the creditors of the Transferee Company. The shareholding and other rights of the members of the Transferee Company will remain unaffected as no new shares are



being issued by the Transferee Company to the shareholders of the Transferor Company and there is no change in the capital structure. Further the creditors of the Transferee Company will not be affected by the Scheme since the assets of the Transferor Company are more than the liabilities of the Transferor Company. Further post the amalgamation, the assets of the Transferee Company shall be greater than its liabilities. Accordingly, the creditors of the Transferee Company will also not be affected by the Scheme.

6. AMALGAMATION OF COMPANIES

6.1. Upon coming into effect of this Scheme and with effect from the Appointed Date, the Transferor Company shall stand amalgamated with the Transferee Company, as provided in the Scheme, and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, all the assets, unbilled revenues, debts, outstanding, credits, liabilities, duties and obligations whatsoever concerning the Transferor Company as on the Appointed Date shall, accordingly, stand transferred to and vested in and/or be deemed to be and stand transferred to and vested in the Transferee Company, as under. Without prejudice to the generality of the above, all benefits, concessions, reliefs including but not limited to the benefit/s under income tax (including tax relief under the Income-tax Act, 1961, such as credit for advance tax, taxes deducted at source, carry forward of Minimum Alternate Tax Credit, carry forward of tax losses including unabsorbed depreciation, continuity of tax holiday / deduction available, if any, etc.), service tax (including benefits of any unutilized CENVAT/ service tax credits, etc.), excise, value added tax, sales tax (including deferment of sales tax), benefits, etc. for and under the Software Technology Parks of India, Special Economic Zone or any other registrations, etc., to which the Transferor Company is entitled to in terms of various statutes and/or schemes of Union, State and Local Governments/ bodies and/ or otherwise, shall be available to and vest in the Transferee Company.

6.1.1 In respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery, the same may be so transferred by the Transferor Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company to the end and intent that the ownership and property therein passes to the Transferee Company on such handing over in pursuance of the provisions of Section 394 of the Act.

6.1.2 In respect of such of the assets belonging to the Transferor Company other than those referred to in sub-clause 6.1.1 above, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and / or be deemed to be transferred to and stand vested in the Transferee Company pursuant to the provisions of Section 394 of the Act.

6.1.3 In relation to the assets belonging to the Transferor Company, which require separate documents of transfer, the parties will execute the necessary documents, as and when required.



- 6.1.4 The transfer and vesting of all the assets of the Transferor Company, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and/or encumbrances shall be confined only to the relative assets of the Transferor Company or part thereof on or over which they are subsisting on transfer to and vesting of such assets in the Transferee Company and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security thereof.
- 6.1.5 In respect of the debts, liabilities, duties and obligations of the Transferor Company, it is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.
- 6.2. For the removal of doubt, it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstanding as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.
- 6.3. The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into the Transferee Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.
- 6.4. Upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall be entitled, wherever necessary and pursuant to the provisions of this Scheme, to file or revise their financial statements, tax returns, tax deduction at source certificates, tax deduction at source returns, and other statutory returns, and shall have right to claim refunds, advance tax credits, credit for minimum alternate tax, carry forward of losses, deductions, tax holiday



benefits, deductions or any other credits, and / or set off all amounts paid by the Transferor Company or the Transferee Company under the relevant laws relating to Income Tax, Value Added Tax, Service Tax, Central Sales Tax or any other tax, as may be required consequent to the implementation of the Scheme.

7. LEGAL PROCEEDINGS

If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against the Transferor Company are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

8. CONTRACTS AND DEEDS

8.1. All contracts, deeds, bonds, agreements, arrangements, incentives, licenses, engagements, approvals and registrations (including Software Technology Parks of India, Special Economic Zone and any other registrations) and other instruments of whatsoever nature to which the Transferor Company is party or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

8.2. The Transferee Company shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this clause and to the extent that the Transferor Company is required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company.

9. SAVING OF CONCLUDED TRANSACTIONS

The transfer of the assets and liabilities of the Transferor Company under clause 6 above, the continuance of Proceedings under clause 7 above and the effectiveness of contracts and deeds under clause 8 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.



10. EMPLOYEES

- 10.1. All the employees of the Transferor Company in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company on terms and conditions not less favourable as applicable to them on the Effective Date.
- 10.2. On and from the Effective Date, the services of the employees of the Transferor Company will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of the various Funds (as defined herein below).
- 10.3. With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of the Transferor Company, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. In the event that trustees are constituted as holders of any securities, trust funds or trust monies, in relation to any provident fund, gratuity trust, superannuation trust, welfare trust, or any other such trust existing for the benefit of the employees of the Transferor Company, such funds shall be transferred by such trustees of the trusts of the Transferor Company, to separate trusts and the trustees of the Transferee Company if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income Tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose, the trusts created by the Transferor Company shall be transferred/ merged with the respective trust(s) of the Transferee Company and/or continued by the Transferee Company, if permitted by law, failing which the Transferee Company shall establish similar trusts ensuring that there is continuity in this regard. The Trustees, including the Board of Directors of the Transferee Company, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or breakage in the service of the employees of the Transferor Company. Notwithstanding the above, the Board of Directors of the Transferee Company, if it deems fit and subject to applicable law; shall be entitled to retain separate trusts / schemes within the Transferee Company for each of the erstwhile trusts / schemes of the Transferor Company.



- 10.4. It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any union/employee of the Transferor Company.
- 10.5. Upon the coming into effect of this Scheme, the directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of a person who is already a director in the Transferor Company as of the Effective Date.

11. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

- 11.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company for and on account of, and in trust for, the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 11.2. The Transferor Company shall carry on its businesses and activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company) alienate, create any charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof (except in the ordinary course of business).
- 11.3. All the profits or income, taxes (including advance tax, tax deducted at source) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company from the Appointed Date shall for all purposes be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 11.4. On and after the Appointed Date and until the Effective Date, the Transferor Company shall not without the prior written approval of the Board of Directors of the Transferee Company except as contemplated under the Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise.



12. DIVIDENDS

- 12.1. The Transferor Company and the Transferee 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.
- 12.2. Subject to the provisions of the Scheme, the profits of the Transferor Company, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit, post the Effective Date.
- 12.3. 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 the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferor Company and the Transferee Company, subject to such approval of the shareholders, as may be required.

13. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY

- 13.1. Upon coming into effect of the Scheme, the authorized share capital of the Transferor Company shall be deemed to be added to the authorized share capital of the Transferee Company without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees.
- 13.2. Upon coming into effect of the Scheme, Clause no. V of the Memorandum of Association of the Transferee Company shall, without any further act, deed or instrument, be substituted by the following clause:

"The Authorized Share Capital of the Company is Rs.5,300,750,000 (Rupees Five thirty crore seven lakh and fifty thousand only) divided into 4,250,500,000 (Four twenty five crore and five lakh) Equity Shares of Rs.1 (Rupee one only) and 1,050,250,000 (One hundred and five crore two lakh and fifty thousand only) Redeemable Preference Shares of Rs.1 (Rupee one only) each with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified, or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors of the Company or by the Company in a general meeting, as applicable, in conformity with the provisions of the Companies Act, 1956 ('Act') and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being."



- 13.3. It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 13 of the 2013 Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 13 of the 2013 Act for the amendment of the Memorandum of Association of the Transferee Company as above.

14. CONSIDERATION

The Transferor Company is wholly owned by the Transferee Company and therefore there would be no issue of shares by the Transferee Company in this regard.

15. CHANGE OF REGISTERED OFFICE OF THE TRANSFEROR COMPANY

The registered office of the Transferor Company is situated at 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021, in the State of Maharashtra. The registered office was shifted from "98 Peters Road, Chennai – 600 086 in the State of Tamil Nadu to the State of Maharashtra (i.e. 9th Floor, Nirmal Building, Nariman Point, Mumbai 400 021) vide order from Regional Director, Southern Region, Chennai dated August 7, 2014 approving the Shifting office of WTI. For the purpose of this Scheme, the application/petitions under Section 391 to 394 of the Act shall be made to the High Court where the registered office of Transferor Company is situated.



16. DISSOLUTION OF THE TRANSFEROR COMPANY

- 16.1. On the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up and without any further act by the parties.
- 16.2. On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

17. ACCOUNTING TREATMENT

The Transferee Company shall follow pooling of interest method of accounting for the amalgamation as per Accounting Standard – 14 prescribed by Companies (Accounting Standards) Rules, 2006.

- 17.1. All Assets & Liabilities, including Reserves, of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form.
- 17.2. The equity shares held by the Transferee Company in Transferor Company will stand cancelled and there shall be no further obligation in that behalf.
- 17.3. The inter-corporate deposits / loans and advances / balance outstanding between the Transferor Company and the Transferee Company will stand cancelled and there shall be no further obligation in that behalf.



17.4. The difference between the net assets (assets less liabilities) and reserves of the Transferor Company transferred to the Transferee Company, after making the adjustments as mentioned in clauses 17.2 and 17.3 above shall be adjusted in the reserves.

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

18. APPLICATIONS TO THE HIGH COURT

The Transferor Company and the Transferee Company (if required) shall, with all reasonable dispatch, make applications to the Hon'ble High Court of Judicature at Bombay where the respective registered offices of the Transferor Company and the Transferee Company are situated, for sanctioning this Scheme under Sections 391 to 394 of the Act for an order or orders thereof for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.

19. MODIFICATIONS/AMENDMENTS TO THE SCHEME

19.1. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

19.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the authorized person(s) of the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question or doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.



20. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional upon and subject to:

- 20.1 Approval of the Scheme by the requisite majority of the respective members and such class of persons of the Transferor Company and the Transferee Company as may be directed by the Hon'ble High Court of Judicature at Bombay.
- 20.2 Sanctions and Orders under the provisions of Section 391 read with Section 394 of the Act being obtained by the Transferor Company and the Transferee Company from the Hon'ble High Court of Judicature at Bombay.
- 20.3 All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

21. COSTS

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or Court's order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.

22. REVOCATION OF THE SCHEME

In the event of any of the said sanctions and approvals referred to in clause 12 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the Hon'ble High Court of Judicature at Bombay and/or order or orders not being passed as aforesaid before March 31, 2015 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegatee(s), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if such Boards are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on all/any of the companies.



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TRUE COPY
FOR DESAI & DIWANJI


PARTNER / ASSISTANT
ADVOCATES SOLICITORS & NOTARIES
LINTIN CHAMBERS, DALAL STREET,
FORT, MUMBAI - 400 001.


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



IN THE HIGH COURT OF JUDICATURE AT
BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 109 OF 2015

CONNECTED WITH

COMPANY SUMMONS OF DIRECTION NO. 939 OF 2014

WTI Advanced Technology Limited Petitioner/
Transferee Company

IN THE MATTER of the Companies Act,
1956;

AND

IN THE MATTER of Sections 391 to 394 of
the Companies Act, 1956;

AND

IN THE MATTER of WTI ADVANCED
Technology Limited

AND

IN THE MATTER of Scheme of Amalgamation of
WTI Advanced Technology Limited with Tata
Consultancy Services Limited and their respective
shareholders.



AUTHENTICATED COPY OF MINUTES OF
ORDER DATED 27.03.2015 WITH COPY OF
SCHEME OF AMALGAMATION

Applied on..... 04/04/2015
Engrossed on..... 10/04/2015
Section Writer.....
Folios.....
Examined by.....
Compared with..... 1-7 A. 2015
Ready on.....
Delivered on..... 11.7.2015

M/S. DESAI & DIWANJI
Advocates for the Petitioner
Lentin Chamber Dalal Street
Fort, Mumbai - 400001

HIGH COURT, BOMBAY

629742

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 421 OF 2015

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 194 OF 2015

Tata Consultancy Services Limited ... Petitioner / Transferor Company

In the matter of

The Companies Act, 1956 (1 of 1956);

AND

In the matter of

Section 394 of the Companies Act, 1956;

In the matter of

The Scheme of Amalgamation between CMC
Limited and Tata Consultancy Services Limited and
their respective shareholders.

CALLLED FOR HEARING

Mr. Rohan Rajadhyaksha along with Mr. Haseeb Khan, AZB & Partners, Advocates for
Petitioner

P. Krishna Rao A. A. Ansari for the Regional Director.

CORAM: S. C. Gupta J.

DATE: 14th August, 2015

HIGH COURT, BOMBAY

429741

P.C.:

1. Heard learned counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has controverted any statements made in the Petition.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to a Scheme of Amalgamation between CMC Limited and Tata Consultancy Services Limited and their respective shareholders.
3. The Learned Counsel for the Petitioner Company states that the Petitioner Company is engaged in the businesses of provision of information technology and information technology enabled services. The Transferor Company is engaged in the business of design-development and implementation of software technologies and applications, providing professional services in India and overseas, and procurement, installation, commissioning, warranty and maintenance of imported indigenous computer and networking systems, and in education and training.
4. The Learned Counsel for the Petitioner Company states that the amalgamation shall lead to a single company with rationalized structure, greater integration, financial strength and flexibility aiding in achieving economies of scale, sourcing benefits, vendor rationalization, more focused operational efforts, standardization and simplification of business processes and productivity improvements. Further, the amalgamation will result in creation of a single 'go-to-market' strategy, benefit of scale, enhanced depth and breadth of capabilities to result in increased business opportunities and reduced expenses. The combined company shall be better positioned to serve the domestic market.
5. Learned Counsel for the Petitioner Company further states that the Board of Directors of the Petitioner Company and the Transferor Company have passed

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HIGH COURT, BOMBAY

respective resolutions for approval of the Scheme of Amalgamation which are annexed to the Company Scheme Petition filed by the Petitioner Company.

6. The Learned Counsel for the Petitioner Company further states that the Petitioner Company has complied with all the directions passed in Company Summons for Directions and that the Company Scheme Petition has been filed in consonance with the order passed in the Company Summons for Directions.

7. The Learned Counsel appearing on behalf of the Petitioner Company has stated that they have complied with all requirements as per directions of this Court and they have filed necessary affidavit of compliance in the Court. Moreover, the Petitioner Company undertakes to comply with all the statutory requirements, if any, as required under the Companies Act, 1960 and the rules made thereunder whichever is applicable. The learned counsel is accepted.

The Regional Director has filed an affidavit on 12th August, 2015 stating therein that save and except what is stated in paragraphs 6 (a), (b), (c) & (d) thereof, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraphs 6 (a), (b), (c) & (d) of the said Affidavit, the Regional Director has stated that:

- (a) That the deponent further submits that:
- (a) With reference to clause 12.6 of the scheme, it is submitted that the surplus if any arising out of the scheme shall be credited to Capital Reserve Account of Transferee Company.
- (b) That the Registered Office of the Transferee Company is situated in the State of Telangana. Hence the Transferee Company has to file similar petition before the Hon'ble High Court of Andhra Pradesh for the jurisdiction at Hyderabad for approving the said scheme.
- (c) Clause 14.3 of the scheme provides for adjustment for differences in Accounting Policies between Transferee Company and Transferee

HIGH COURT, BOMBAY

Company. In this regard, it is submitted that in addition to the compliance of Accounting Standard -14, the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 etc.

- (d) That the Deponent further submits that the Tax issue if any arising out of this scheme shall be subject to final decision of Income Tax Authority and approval of the scheme by Hon'ble High Court may not deter the Income Tax Authority to scrutinize the tax returns filed by the petitioner company after giving effect to the amalgamation. The decision of the Income Tax Authority is binding on the petitioner company."

9. So far as the observation made by the Regional Director in paragraph 6(a) of the affidavit of the Regional Director is concerned, the Petitioner Company through its Counsel undertakes that with respect to Clause 12.6 of the Scheme, the surplus, if any, arising out of the Scheme shall be credited to the Capital Reserve Account of the Transferee Company.

So far as the observation made by the Regional Director in paragraph 6(b) of the affidavit of the Regional Director is concerned, the Petitioner Company through its Counsel states that the Transferee Company has filed necessary application petition before the Hon'ble High Court of Judicature at Hyderabad for the states of Telangana and Andhra Pradesh for seeking approval to the Scheme and the said High Court has passed an order dated 20th July, 2015 sanctioning the Scheme without any modifications.

11. So far as the observation made by the Regional Director in paragraph 6(c) of the affidavit of the Regional Director is concerned, the Petitioner Company through its Counsel undertakes that in addition to the compliance of Accounting Standard -14, the Transferee Company shall pass such accounting entries which are

HIGH COURT, BOMBAY

necessary in connection with the scheme and to comply with other applicable Accounting Standards such as AS-5 etc.

12. So far as the observation made by the Regional Director in paragraph 6(d) of the affidavit of the Regional Director is concerned, the Petitioner Company through its Counsel undertakes that the Petitioner Company is bound to comply with all the applicable provisions of the Income Tax Act and all tax issued arising out of the Scheme will be met and answered in accordance with law.

13. The Learned Counsel of Regional Director on instructions of Mr. Chandana Muthu, Joint Director Legal in the Office of the Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, states that they are satisfied with the undertakings given by the Learned Counsel appearing for the Petitioner Company. The undertakings given by the Petitioner Company above are accepted.

14. From the material on record the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.

15. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 421 of 2015 filed by the Petitioner Company is made absolute in terms of the prayer made under clauses (a) and (b).

16. The Petitioner Company to file a copy of this Order and the Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.

17. The Petitioner Company is directed to file a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with E-Form 21 or INC 28 in addition to physical copy within 30 days from the date of issuance of

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HIGH COURT, BOMBAY

the order by the Registry as per the relevant provisions of the Companies Act, 1956.

18. The Patitioner Company to pay costs of Rs.10,000/- to the Regional Director, Western Region, Mumbai. Costs to be paid within four weeks from the date of the Order.

19. Filing and issuance of the drawn up order is dispensed with.

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

(S. C. Gupta J.)



TRUE COPY

(P. K. TRIVEDI)
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

AT BOMBAY

TRUE COPY

Section Officer
High Court, Appellate Side
Bombay

SCHEME OF AMALGAMATION
BETWEEN
CMC LIMITED
AND
TATA CONSULTANCY SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

Under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956

PREAMBLE

This Scheme of Amalgamation is presented for amalgamation of CMC Limited with Tata Consultancy Services Limited, pursuant to Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956 and/or the Companies Act, 2013 (to the extent notified and applicable).

The equity shares of the Transferee Company are listed on the BSE Limited and on the National Stock Exchange of India Limited.

The equity shares of the Transferor Company are listed on the BSE Limited, the National Stock Exchange of India Limited and the Calcutta Stock Exchange Limited.

1. DESCRIPTION OF COMPANIES

1.1 Transferor Company

CMC Limited ("CMC" or "Transferor Company") is a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at CMC Centre, Old Mumbai Highway, Gachibowli, Hyderabad- 500 032, Telangana. CMC is *inter alia* engaged in design, development and implementation of software technologies and applications, providing professional services in India and overseas, and procurement, installation, commissioning, warranty and maintenance of imported/indigenous computer and networking systems, and in education and training.

1.2 Transferee Company

Tata Consultancy Services Limited ("TCS" or "Transferee Company") is a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 9th Floor, Nirmal building, Nariman Point, Mumbai – 400 021, Maharashtra. TCS is *inter alia* engaged in the business of providing information technology and information technology enabled services.

2. BACKGROUND, RATIONALE AND PURPOSE OF THE SCHEME

- 2.1 CMC was a Government of India (GoI) enterprise up to October 15, 2001. Under the disinvestment process, GoI sold 7,726,500 equity shares representing 51% of the equity share capital to Tata Sons Limited (the parent company of TCS) on October 16, 2001. The GoI further sold its entire remaining shares representing 26.25% of the equity share capital, in March 2004 by an open offer to the public. On March 29, 2004, as per specific approval granted by SEBI, Tata Sons Limited transferred its entire shareholding in CMC to TCS. As a result, CMC has become a subsidiary of TCS. It is intended that CMC should merge into TCS to consolidate the information technology services business in a single entity.
- 2.2.1 The rationale for the proposed amalgamation of CMC with TCS is, *inter alia*, as follows:
- 2.2.2 **Rationalization:** The amalgamation shall lead to a single company with rationalized structure, greater integration, financial strength and flexibility aiding in achieving economies of scale, sourcing benefits, vendor rationalization, more focused operational efforts, standardization and simplification of business processes and productivity improvements.
- 2.2.3 **Enhanced Reach:** Creation of a single 'go-to-market' strategy, benefit of scale, enhanced depth and breadth of capabilities to result in increased business opportunities and reduced expenses.
- 2.2.4 **Better Positioning:** Combined company shall be better positioned to serve the domestic market.
- 2.2.5 The Scheme will not adversely affect the rights and interests of the shareholders of TCS and CMC.
- 2.2.6 The creditors of TCS will also not be affected by the Scheme as assets of CMC are greater than the liabilities of CMC and post-consolidation, the assets of TCS will also be much greater than its liabilities.
- 2.2.7 Further, the creditors of CMC will not be affected by the Scheme as the assets of TCS will be much greater than its liabilities post the Scheme.
- 2.2.8 This Scheme also provides for various other matters consequential to or otherwise integrally connected with the amalgamation of CMC with TCS.

3. DEFINITIONS

- 3.1. In this Scheme, unless repugnant to or inconsistent with the subject or context thereof, the following expressions shall have the following meanings:
- 3.1.1. "1956 Act" or "the 1956 Act" means the Companies Act, 1956, or any statutory modifications, re-enactments or amendments thereof from time to time;
- 3.1.2. "2013 Act" or "the 2013 Act" means the Companies Act, 2013 and rules framed thereunder or any statutory modifications, re-enactments or amendments thereof from time to time;
- 3.1.3. "Appointed Date" shall, unless otherwise approved by the High Court(s), mean April 1, 2015;

3.1.4. **Board of Directors** or **"Board"** means the board of directors of the Transferor Company and / or Transferee Company, as the case may be and shall include a committee of the Board constituted for the implementation of this Scheme;

3.1.5. **"CMC"** or **"Transferor Company"** means CMC Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at CMC Centre, Old Mumbai Highway, Gachibowli, Hyderabad- 500 032, Telangana;

3.1.6. **"Effective Date"** means the last of the dates specified in Clause 4 thereof;

Any references in this Scheme to "upon this Scheme becoming effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" shall be construed to be a reference to the Effective Date; provided however, that such references shall not affect the deemed taking into effect of certain parts of this Scheme, whether prior to, or after, other parts of this Scheme, as specifically contemplated herein.

3.1.7. **Governmental Authority** means any applicable Central or State Government or local body, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;

3.1.8. **"High Court(s)"** means either the High Court of Judicature at Bombay or the High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh or both of these High Courts, as the case may be. It is hereby clarified that in the event that the provisions of the Companies Act, 2013 pertaining to schemes of arrangements become applicable and effective for the purposes of this Scheme, all reference to the High Court(s) shall be deemed to include references to the National Company Law Tribunal to be constituted under the Companies Act, 2013;



3.1.9. **"Record Date"** means a date to be fixed by the Board of Directors of the Transferee Company for determining names of the shareholders of the Transferor Company, who shall be entitled to receive equity shares of the Transferee Company under the Scheme upon amalgamation of the Transferor Company with the Transferee Company;

3.1.10. **"Scheme"** or **"the Scheme"** or **"this Scheme"** or **"Scheme of Amalgamation"** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 21 of this Scheme or any modifications approved or directed by the High Court(s) or any other Government Authority;

3.1.11. **"SEBI"** means Securities and Exchange Board of India;

3.1.12. **"Stock Exchange"** means National Stock Exchange of India Limited, BSE Limited or the Calcutta Stock Exchange Limited, as may be applicable;

3.1.13. **"TCS"** or **"Transferee Company"** means Tata Consultancy Services Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 9th Floor, Nirmal building, Nariman Point, Mumbai – 400 021, Maharashtra;

3.1.14. **"Undertaking"** shall mean the entire business and the whole of the undertakings of the Transferor Company as a going concern, all its assets, rights, licenses and

powers, leasehold rights, and all its debts, outstandings, liabilities, duties, obligations and employees as on the Appointed Date including, but not in any way limited to, the following:

- (a) All the assets and properties (whether movable or immovable, tangible or intangible, present, future or contingent) of the Transferor Company, including, without being limited to, land, plant and machinery, computers, office equipment, stock-in-trade, store houses, pollution control equipment, data processing equipment, buildings and structures, offices, residential and other properties, capital work in progress, raw materials, packing materials, work-in-progress, finished goods, inventories, goods in transit, samples, stores and spares, sundry debtors, furniture, fixtures, interiors, vehicles, appliances, accessories, power lines, depots, stocks, stocks of fuel, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables (whether in Indian rupee or foreign currency), actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases for office properties and residential properties (including but not limited to lease rights of the Transferor Company), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies or licenses in relation to the office and/or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets, computer software, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes; facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), tax holiday benefit, incentives (including but not limited to tax credits under the indirect taxes (i.e. ITC, CENVAT etc.) and foreign trade related incentives), credits (including tax credits), Minimum Alternate Tax Credit entitlement ("MAT Credit"), tax losses, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad.
- (b) All agreements, rights, contracts (including but not limited to agreements with respect to the immovable properties being used by the Transferor Company by way of lease, license and business arrangements), entitlements, licenses and registrations, permits, permissions, incentives, approvals (including but not limited to approvals under environmental and labour legislations), registrations (including but not limited to registrations under tax and labour legislations), tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents,), trade marks, designs, quota rights, engagements, insurance policies, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals, sanctions and consents of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations and that may be required to carry on the operations of the Transferor Company.
- (c) All intellectual property rights, records, files, papers, computer programmes,

manuals, data, catalogues, sales material, lists of customers and suppliers, research and development related items, dossiers, product master cards, lists, product registrations, trade secrets, domain names, utility models, holograms, bar code, brands, other customer and supplier information (including but not limited to present and former customer's credit information, customer and supplier pricing information) and all other records and documents relating to the Transferor Company's business activities and operations, including all trademark and patent applications that are pending in the name of the Transferor Company as on the Appointed Date.

- (d) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
- (e) Right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.
- (f) All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security therefor after the Effective Date or otherwise.
- (g) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, or the employees of any of their subsidiaries, with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment.



The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meanings ascribed to them under the 1956 / 2013 Act and other applicable laws, rules, regulations, bye-laws, as the case may be.

4. DATE OF TAKING EFFECT

- 4.1. The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court(s) shall be effective from the Appointed Date but shall be operative from the last of the following dates, namely:

- 4.1.1. That on which the last of the consents, sanctions, approvals, permissions, resolutions

and orders as mentioned in Clause 22.1 shall be obtained or passed; or

- 4.1.2. That on which all necessary certified/ authenticated copies of the orders of the High Court of Judicature at Bombay and the High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh are filed with the appropriate Registrar of Companies.

The last of such dates shall be the "Effective Date" for the purpose of this Scheme.

5. SHARE CAPITAL

- 5.1. As on September 30, 2014 the share capital of the Transferor Company is as under:

Particulars	Amount in Rupees
Authorized Share Capital	
35,000,000 Equity Shares of Rs. 10 each	350,000,000
Total	350,000,000
Issued, Subscribed and Paid Up Share Capital	
30,300,000 Equity Shares of Re. 10 each fully paid up	303,000,000
Total	303,000,000

- 5.2. Subsequent to the above date and upto the date of approval of the Scheme by the Board of Directors of the Transferor Company, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Company. As on the date of approval of the Scheme by the Board of Directors of the Transferor Company, the Transferee Company holds 15,489,922 equity shares of the Transferor Company which constitutes 51.12% of the issued, subscribed and paid up share capital of the Transferor Company.

- 5.3. As on September 30, 2014 the share capital of the Transferee Company is as under:

Particulars	Amount in Rupees
Authorized Share Capital	
4,200,500,000 Equity Shares of Re. 1 each	4,200,500,000
1,050,250,000 Preference Shares of Re.1 each	1,050,250,000
Total	5,250,750,000
Issued, Subscribed and Paid Up Share Capital	
1,958,727,979 Equity Shares of Re. 1 each fully paid up	1,958,727,979
Total	1,958,727,979

- 5.4. Subsequent to the above date and upto the date of approval of the Scheme by the Board of Directors of the Transferee Company, there has been no change in the authorized, issued, subscribed and paid up share capital of the Transferee Company.

6. AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFeree COMPANY

- 6.1 Upon coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the Undertaking shall, pursuant to the sanction of the Scheme by the High Court(s) and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the 1956 Act, be and stand transferred to and vested in and/ or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument, matter so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Company or the Transferee Company, and the Transferee Company shall not be obliged to create any further or additional security therefore after the Effective Date or otherwise.

- 6.2 All the movable assets of the Transferor Company and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date. Such delivery and transfer shall be made on a date which shall be mutually agreed upon between the Transferor Company and the Transferee Company on or prior to the Effective Date.

- 6.3 In respect of any assets of the Transferor Company other than those mentioned in Sub Clause 6.2 above, including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the Transferor Company shall if so required by the Transferee Company, and the Transferee Company may, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Court(s) having sanctioned this Scheme under Sections 391 to 394 of the 1956 Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

- 6.4 Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property (including but not limited to land, buildings, offices, factories, sites and any other immovable property, including accretions and appurtenances) of the Transferor Company, whether freehold or leasehold (including but not limited to the (i) land situated at survey no. 26 admeasuring 18978.51 square metres at CMC Centre Building and land situated at survey no. 26 known as SEZ Building admeasuring 180231.90 square metres at Gachibowli, and situated in Hyderabad, given by the then Government of Andhra Pradesh, now Telangana to the Transferor Company; (ii) all that piece and parcel of land together with a brick built five storied building at 28 Camac Street, Kolkata admeasuring 2609.65 square metres purchased from (1) Kalidas Mullick No. 1 Charitable Trust and (2) Kalidas Mullick No. II Family Trust by the Transferor Company; (iii) land no. C-18 and land no. R-11 in the E Block of Bandra Kurla Complex admeasuring 4180.64 square metres and 2508.38 square metres respectively situated in Mumbai, leased by the Mumbai Metropolitan Region Development Authority to the Transferor Company; and (iv) lease-hold land at plot nos. 54 to 57(part) in Block-DN admeasuring 1.50 acres in "SALTLEC" Electronics Complex in Bidhannagar, Kolkata-700091, leased by the West Bengal Electronics Industry Development Corporation Limited to the Transferor Company), and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company, without any act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all

obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate governmental authorities and third parties pursuant to the sanction of the Scheme by the High Court(s) and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations as may be necessary for the purposes of the aforesaid mutation and/or substitution.

- 6.5 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company, as on or after the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall, pursuant to the Orders of the High Court(s) or such other competent authority as may be applicable under provisions of the 1956 Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.
- 6.6 Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes. For the removal of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligation, balances or other outstanding as between the Transferor Company inter-se and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 6.7 Upon the Scheme coming into effect and with effect from the Appointed Date, in respect of the debts, liabilities, duties and obligations of the Transferor Company, it is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen (though the Transferee Company may, if it deems appropriate, give notice to the debtors that the debts stand transferred to and vested in the Transferee Company). It is further clarified that the Transferee Company shall honour all liabilities and obligations arising on account of all written commitment / open purchase orders issued by the Transferor Company.
- 6.8 The Transferee Company may at any time after the coming into effect of the Scheme and with effect from the Appointed Date, if so required under the provisions of any law for the time being in force or otherwise at its discretion, execute deeds of confirmation, in favour of secured creditors of the Transferor Company or in favour of any other party as directed by the Transferor Company with regard to any contract or arrangement to which the Transferor Company is a party or any other writings that may be necessary to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such confirmation in writing on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on behalf of the Transferor Company.
- 6.9 All taxes (including but not limited to income tax, sales tax, excise duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, on account of the Transferor Company and, in so far as it relates to tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the operations and/or the profits of the

business after the Appointed Date shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

- 6.10 All the profits or income, taxes (including advance tax, tax deducted at source and MAT Credit) or any costs, charges, expenditure accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purposes be treated and deemed to be and accrue from the Appointed Date as the profits or income, taxes (including tax losses, MAT Credit), costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 6.11 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Appointed Date, in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits under the same shall, in so far as they relate to the Transferor Company and all quality certifications and approvals, patents and domain names, copyrights, brands, trade secrets, product registrations and other intellectual property and all other interests relating to the goods or services being dealt with by the Transferor Company, shall without any further act or deed be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Company immediately prior to the coming into effect of this Scheme. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including MAT credit, if any), rehabilitation schemes, grants, special status and other benefits or privileges enjoyed, granted by any government body, local authority or by any other person, or availed of or to be availed of by the Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Transferor Company, vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme.



On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

- 6.13 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such times the name of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

7. CONTRACTS, DEEDS, BONDS, APPROVALS AND OTHER INSTRUMENTS

- 7.1. For avoidance of doubt and without prejudice to the generality of Clause 6 above, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme and without any further act of the parties, all memoranda of understanding, contracts, deeds, bonds, agreements (including but not limited to the agreement(s) with respect to the (i) land situated at survey no. 26 admeasuring 18978.51 square metres at CMC Centre Building at Gachibowli, and situated in Hyderabad, given by the then Government of Andhra Pradesh, now Telangana to the Transferor Company; (ii) land no. C-18 and land no. R-11 in the E Block of Bandra Kurla Complex admeasuring 4180.64 square metres and 2508.38 square metres respectively situated in Mumbai, leased by the Mumbai Metropolitan Region Development Authority to the Transferor Company; and (iii) lease-hold land at plot nos. 54 to 57 (part) in Block-DN admeasuring 1.50 acres in "SALTLEC" Electronics Complex in Bidhannagar, Kolkata-700091, leased by the West Bengal Electronics Industry Development Corporation Limited to the Transferor Company), arrangements, incentives, engagements registration sschemes, assurances, licences and registrations (including Software Technology Parks of India, Special Economic Zones (SEZ) and / or any other registrations), insurance policies, guarantees, and other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, under the same terms and conditions, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto.
- 7.2. It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the Order of the High Court(s) sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company under any contractual arrangements shall automatically stand transferred to and vested in and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and instead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.
- 7.3. Without prejudice to the above, the Transferee Company shall, if so desirable or required or become necessary, upon the coming into effect of this Scheme and with effect from the Appointed Date, enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme and to the extent that the Transferor Company are required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company, as the case may be. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

8. LEGAL PROCEEDINGS

- 8.1. If any suit, appeal, petition, complaint, application or other legal proceedings of whatsoever

nature (hereinafter referred to as the "Proceedings") by or against the Transferor Company is pending on the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in this Scheme, but the Proceedings may be continued, prosecuted, defended and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have been continued, prosecuted, defended and enforced by or against the Transferor Company, in the absence of this Scheme.

- 8.2. On and from the Effective Date, the Transferee Company may, if required, initiate any legal proceedings in relation to the present and past business of the Transferor Company.

9. SAVING OF CONCLUDED TRANSACTIONS

- 9.1 The transfer and vesting of the Undertaking under Clause 6 above, and the continuance of proceedings by or against the Transferee Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in regard thereto, as if done and executed by the Transferee Company on its behalf.

10. APPLICABILITY OF THE PROVISIONS OF THE INCOME TAX ACT, 1961 AND OTHER TAX LAWS AS MAYBE APPLICABLE



This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified in Section 2(1B) and other relevant provisions of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent required to comply with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961.

- 10.2 Upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 10.3 All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- 10.4 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 10.5 Any tax liabilities under the Income Tax Act, 1961, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies of the Transferor Company to the extent not provided for or covered

by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

- 10.6 Any refund, under the Income Tax Act, 1961, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to Transferor Company consequent to the assessment made on Transferor Company (including any refund for which no credit is taken in the accounts of the Transferor Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- 10.7 The tax payments (including but not limited to Income tax, service tax, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 10.8 Further, any tax deducted at source by Transferor Company/ Transferee Company on transactions with the Transferee Company/ Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 10.9 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 10.10 All intangible assets (including but not limited to goodwill) belonging to but not recorded in the books of account of the Transferor Company and all intangible assets (including but not limited to goodwill) arising or recorded in the process of the amalgamation in books of account of Transferee Company shall, for all purposes, be regarded as an intangible asset in terms of Explanation 3(b) to Section 32(1) of the Income Tax Act, 1961 and Transferee Company shall be eligible for depreciation there under at the prescribed rates.
- 10.11 Without prejudice to the generality of the above, all benefits, incentives, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciation, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, etc.) to which the Transferor Company is entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.
- 10.12 Upon the coming into effect of this scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.

11. CONSIDERATION

- 11.1 Upon the Scheme becoming effective, all equity shares held by the Transferee Company in the Transferor Company i.e., 154,89,922 equity shares of ₹.10 each constituting 51.12% of the total paid-up share capital of the Transferor Company shall automatically get cancelled without any further application, act or deed and there shall be no obligation in that behalf.
- 11.2 As far as consideration for the balance shareholding of 48.88% held by the public

shareholders in the Transferor Company is concerned, after giving effect to Clause 11.1 above and upon the Scheme becoming effective, and upon the Undertaking being transferred to and vested in the Transferee Company, and without any further application, act or deed, the Transferee Company shall issue and allot 79 equity shares of ₹.1 each fully paid up in its capital in respect of every 100 equity shares of ₹.10 each fully paid up in the equity share capital of the Transferor Company to the shareholders of the Transferor Company whose names appear in the register of members of the Transferor Company and whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee Company) as on the Record Date. The equity shares to be issued by the Transferee Company to the shareholders of Transferor Company in accordance with this Clause shall be hereinafter referred to as "New Equity Shares".

11.3 The ratio in which the New Equity Shares are to be issued and allotted to the shareholders of the Transferor Company is herein referred to as the "Share Exchange Ratio".

11.4 The New Equity Shares allotted and issued in terms of Sub Clause 11.2 above, shall be listed and/or admitted to trading on the relevant stock exchanges, where the equity shares of the Transferee Company are listed and/or admitted to trading as on the Effective Date; subject to the Transferee Company obtaining the requisite approvals from all the relevant regulatory authorities pertaining to their listing.

11.5 The New Equity Shares shall be issued in dematerialized form to those equity shareholders who hold shares of the Transferor Company in dematerialized form, provided all details relating to account with depository participant are available with the Transferee Company. All those equity shareholders who hold equity shares of the Transferor Company in physical form, shall be issued New Equity Shares in physical or electronic form, at the option of such shareholders to be exercised by them on or before the Record Date, by giving a notice in writing to the Transferee Company; and if such option is not exercised by such shareholders, the New Equity Shares shall be issued to them in physical form.



11.6 Upon the Scheme becoming effective and upon the New Equity Shares being issued and allotted as provided in this Scheme, the equity shares of the Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. The said equity shares of the Transferor Company held in physical form shall be deemed to have been automatically cancelled without any requirement to surrender the certificates of shares held by the shareholders of the Transferor Company. The Transferee Company shall take such corporate actions in relation to the equity shares of the Transferor Company held in dematerialized form, as may be necessary.

11.7 The New Equity Shares to be issued and allotted as provided in Sub Clause 11.2 above shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank *pari-passu* in all respects with the equity shares of the Transferee Company after the Effective Date including in respect of dividend, bonus, right shares, voting rights and other corporate benefits.

11.8 The Board of Directors of the Transferee Company shall consolidate all fractional entitlements arising due to the issue of New Equity Shares to the shareholders of the Transferor Company and hereupon issue and allot equity shares in lieu thereof to a separate trust (to be created) which shall hold these equity shares in trust for and on behalf of the members entitled to such fractional entitlements with the express understanding that such trust shall sell the same at such time or times and at such price or prices to such person or persons, as it deems fit. The said trust shall distribute such net sales proceeds to the members entitled to these fractional entitlements in the same proportion as their respective fractional entitlements bear to the consolidated fractional entitlements.

- 11.9 The issue and allotment of New Equity Shares to the shareholders of the Transferor Company as provided in this Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 of the 2013 Act and any other applicable provisions of the 1956/ 2013 Act, as may be applicable and such other statutes and regulations as may be applicable were duly complied with.

12. ACCOUNTING TREATMENT

- 12.1 The Transferee Company shall follow pooling of interest method for accounting of the amalgamation as per Accounting Standard-14 prescribed by Companies (Accounting Standards) Rules, 2006.
- 12.2 All assets and liabilities including reserves, of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form.
- 12.3 The Transferee Company shall credit the aggregate face value of the New Equity Shares of the Transferee Company issued by it to the shareholders of the Transferor Company pursuant to Clause 11.2 to its share capital account.
- 12.4 The equity shares held by the Transferee Company in the Transferor Company appearing in the books of account of the Transferee Company will stand cancelled and there shall be no further obligation in that behalf.
- 12.5 The inter-corporate deposits/loans and advances/balance outstanding between the Transferor Company and the Transferee Company will stand cancelled and there shall be no further obligation in that behalf;
- 12.6 The difference between the net assets (assets less liabilities) and reserves of the Transferor Company transferred to the Transferee Company, after making the adjustments as mentioned in Clause 12.3 to 12.5 above, shall be adjusted in the reserves.
- 12.7 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

13. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

Unless otherwise stated here under, with effect from the Appointed Date and upto and including the Effective Date:

- 13.i. The Transferor Company shall carry on and shall be deemed to have been carrying on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the Undertaking for and on account of, and in trust for, the Transferee Company. The Transferor Company hereby undertakes to hold the Undertaking with utmost prudence until the Effective Date.

- 13.2. With effect from the date of the respective Board meetings of the Transferor Company and the Transferee Company approving the Scheme and upto and including the Effective Date, the Transferor Company shall carry on its businesses and activities with reasonable diligence and business prudence and shall undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with its fixed assets or any part thereof, only if the same are in the ordinary course of business, or if the same are pursuant to any pre-existing obligation(s) undertaken by the Transferor Company; it being clarified that if such matters are sought to be undertaken outside of the ordinary course of business or if the Transferor Company seeks to undertake any new ventures or businesses, the same may be undertaken with the prior consent in writing of any of the persons authorised by the Board of Directors of the Transferee Company.
- 13.3. Notwithstanding anything contained in the Scheme, with effect from the date of the respective Board meetings of the Transferor Company and the Transferee Company approving the Scheme and up to and including the Effective Date, the Transferor Company and the Transferee Company may undertake any harmonisation processes (including the continuation of any such existing processes) pertaining to the terms and conditions applicable to the employees of the Transferor Company and the Transferee Company, in accordance with applicable laws.
- 13.4. With effect from the date of the respective Board meetings of the Transferor Company and the Transferee Company approving the Scheme and upto and including the Effective Date, the Transferor Company and the Transferee Company may make any change in their respective capital structure, whether by way of increase, decrease, reduction, re-classification, sub-division or consolidation, re-organisation, or in any other manner, only after obtaining the prior written approval of the Board of Directors of the Transferee Company and the Transferor Company.



14. DIVIDENDS

- 14.1. The Transferor Company and the Transferee 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 but only in the ordinary course of business. Any declaration or payment of dividend otherwise than as aforesaid, by the Transferor Company or the Transferee Company, shall be subject to the prior approval of the Board of Directors of the Transferee Company and the Transferor Company (as the case may be) and in accordance with the applicable laws.
- 14.2. Subject to the provisions of the Scheme, the profits of the Transferor Company, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.
- 14.3. It is clarified that the aforesaid provisions in respect of declaration of dividends whether interim or final are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/ or the Transferee Company to demand or claim or be entitled to any dividends which, subject to the provisions of the 1956/ 2013 Act, as may be applicable, shall be entirely at the discretion of the Board of Directors of the Transferor Company and Transferee Company, subject to such approval of the shareholders, as may be required.

15. CONSOLIDATION OF AUTHORISED SHARE CAPITAL

- 15.1. Upon this Scheme becoming effective, the authorised share capital of the Transferor Company shall be deemed to be added to the authorised share capital of the Transferee Company without any further act, instrument or deed or procedure or payment of any stamp duty and registration fees.
- 15.2. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the 2013 Act.

16. AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF THE TRANSFEE COMPANY

- 16.1. In order to carry on the activities currently being carried on by the Transferor Company, upon coming into effect of the Scheme; the Main Objects in the Memorandum of Association of the Transferor Company shall be added to the Main Objects of the Memorandum of Association of the Transferee Company. Further, upon coming into effect of the Scheme, such Other/ Ancillary Clauses in the Memorandum of Association of the Transferor Company shall be added to the Other/ Ancillary Clauses in the Memorandum of Association of the Transferee Company, as may be considered necessary by the Board of Directors of the Transferee Company.
- 16.2. Upon the approval of the Scheme by the members of the Transferor Company and the members of the Transferee Company pursuant to Section 391 of the 1956 Act, it shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 13 of the 2013 Act or any other provisions of the Act for the commencement of any business or activities currently being carried on by Transferor Company in relation to any of the objects contained in the Memorandum of Association of the Transferee Company, to the extent the same may be considered applicable. In particular, the Transferee Company would be allowed to commence the new business added as above. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 13 of the 2013 Act.

17. EMPLOYEES OF THE TRANSFEROR COMPANY

- 17.1. All the employees of the Transferor Company, who are in service on the date immediately preceding the Effective Date shall on the Effective Date become and be engaged as the employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company immediately preceding the Effective Date. Services of the employees of the Transferor Company shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of retirement benefits and other entitlements dependent on the period of service. For the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company shall also be taken into account.
- 17.2. On and from the Effective Date and with effect from the Appointed Date, the services of the employees of the Transferor Company will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of provident fund or gratuity fund or pension fund or other statutory purposes as the case may be.
- 17.3. It is expressly provided that, on the Scheme becoming effective and with effect from the Appointed Date, the provident fund, gratuity fund or any other special fund or trusts created

or existing for the benefit of the staff, workmen and other employees of the Transferor Company shall become trusts/funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other documents, if any. It is the aim and intent of the Scheme that all rights, duties, powers and obligations of the Transferor Company in relation to such funds or trusts shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees of the Transferor Company who are employed with the Transferee Company will be treated as having been continuous for the purpose of the said Fund or Funds. The Trustees including the Board of Directors of the Transferor Company and the Transferee Company or through any committee / person duly authorized by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised, provided however, that there shall be no discontinuation or break in the services of the employees of the Transferor Company.

18. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 18.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of Transferee Company which are validly subsisting be considered as resolutions of Transferee Company. If any such resolutions have any monetary limits approved subject to the provisions of the 1956/ 2013 Act, as may be applicable or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of Transferee Company, shall be added to the limits, if any, under the like resolutions passed by Transferee Company.



DISSOLUTION OF TRANSFEROR COMPANY

Upon this Scheme becoming effective, the Transferor Company shall be dissolved without being wound up and without any further act by the parties to this Scheme.

On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

20. APPLICATION TO HIGH COURT(S)

- 20.1. The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make and file all applications/ petitions to the High Court(s) where the registered offices of both the companies are situated, for sanction of this Scheme pursuant to Sections 391 to 394 and other applicable provisions of the 1956 Act, and for dissolution of the Transferor Company without being wound up.
- 20.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

21. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 21.1. Subject to the approval of the High Court(s), the Transferor Company and the Transferee Company through their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee

thereof, are hereby empowered and authorised to assent from time to time to any modifications or amendments or conditions or limitations which the High Court(s) or any other Government Authority may deem fit to impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect. The power of the Board of Directors of the Transferor Company and the Transferee Company shall be subject to the final approval of the High Court(s).

22. CONDITIONALITY OF THE SCHEME

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

- 22.1.1. Approval of the Scheme by the requisite majority of each class of the respective members of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh and the High Court of Judicature at Bombay respectively.
- 22.1.2. Sanctions and orders under the provisions of Section 391 to 394 of the 1956 Act being obtained by the Transferor Company and the Transferee Company from the High Court of Judicature at Hyderabad for the state of Telangana and Andhra Pradesh and the High Court of Judicature at Bombay respectively;
- 22.1.3. All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

23. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION AND WITHDRAWAL OF THE SCHEME

- 23.1. In the event of any of the said approvals or conditions referred to in Clause 22 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the High Court(s) and/or order or orders not being passed as aforesaid by June 30, 2016 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect. The Transferor Company and the Transferee Company shall, in such event, *inter se* bear and pay their respective costs, charges, expenses in connection with the Scheme.
- 23.2. In the event of revocation under sub-clause 23.1, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed.
- 23.3. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.
- 23.4. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse

implications on the combined entity post-amalgamation.

- 23.5. If any part of this Scheme hereof is invalid, ruled illegal by any High Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and /or the Transferee Company, then in such case the Transferor Company and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.

24. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses including stamp duty and registration fee of any deed, document, instrument or High Courts' orders including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne by the Transferee Company.



TRUE COPY

[Signature]
AZB & PARTNERS
Advocates & Solicitors
Mumbai.

TRUE-COPY

[Signature] 16/9/15
(K. K. TRIVEDI)
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO. 421 OF 2015
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO. 194 OF 2015

In the matter of:
The Companies Act, 1956;

AND

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

AND

In the matter of:
The Scheme of Amalgamation of CMC Limited And Tata
Consultancy Services Limited And their respective
shareholders.

Tata Consultancy Services Limited
...Petitioner / Transferee Company

=====

AUTHENTICATED COPY OF THE MINUTES OF ORDER
ALONG WITH SCHEME OF AMALGAMATION DATED
AUGUST 14, 2015

=====



Applied on... 25/8/15
Engrossed on... 14/9/15
Section...
Folio...
Examined...
Compared with...
Ready on... 16/9/15
Delivered on... 16/9/15

AZB & Partners
Advocates for the Petitioner Company
23rd Floor, Express Towers
Nariman Point
Mumbai 400 021

HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH
(ORDINARY ORIGINAL/CIVIL JURISDICTION)

MONDAY, THE TWENTIETH DAY OF JULY
TWO THOUSAND AND FIFTEEN

:PRESENT:

THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

COMPANY PETITION No.49 OF 2015

IN THE MATTER OF THE COMPANIES ACT, 1956 (1 OF 1956)
AND
IN THE MATTER OF SECTIONS 391 TO 394
AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
BETWEEN CMC LIMITED AND TATA CONSULTANCY SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
AND
IN THE MATTER OF CMC LIMITED

CMC Limited,

A company incorporated under the
Companies Act, 1956, having its registered
office at CMC Centre, Old Mumbai Highway,
Gachibowli, Hyderabad - 500 032, represented
by its Company Secretary, Mr. Vivek Agarwal

..... Petitioner Company/Transferor Company.

Petition under Sections 391 to 394 and other Applicable Provisions of the Companies Act, 1956 read with Rule 79 of the Companies (Court) Rules, 1958, praying that this Hon'ble Court may be pleased to order that The Scheme of Amalgamation between CMC Limited (Petitioner/Transferor Company) and Tata Consultancy Services Limited (Transferee Company) and their respective shareholders and creditors be sanctioned by the Hon'ble Court so as to be binding on all shareholders and creditors of the Petitioner/Transferor Company;

This Petition coming on for orders upon reading the Company Petition and the affidavit dated 16-03-2015 filed by Sri Vivek Agarwal, Company Secretary of the Petitioner Company in support of the Petition and upon hearing the arguments of Sri S.Ravi, Senior Counsel for Sri Ch.Pushyam Kiran, Advocate for the Petitioner and Sri B.Appa Rao for Sri B.Narayana Reddy, Assistant Solicitor General and Sri M.Anil Kumar, Counsel for Official Liquidator appearing in this matter.

The Court made the following Order:





This Company Petition is filed by M/s.CMC Limited-
Transferor Company under Sections 391 to 394 of the
Companies Act, 1956, for sanction of the proposed scheme of
its amalgamation with M/s.Tata Consultancy Services Limited -
Transferee Company.

The petitioner pleaded that it was incorporated on
26.12.1975, originally, in the name of "Computer Maintenance
Corporation Private Limited"; that subsequently, on
27.08.1984, its name was changed to "CMC Limited"; that its
registered office is situated at CMC Center, Old Mumbai
Highway, Gachibowli, Hyderabad, Telangana; that its main
objects are to plan, coordinate, implement the national effort
on computer repair and maintenance, and to carry out
maintenance of total online and offline systems including
peripherals to computer systems etc.; that its authorized share
capital as on 31st March, 2014 is Rs.35 Crores divided into 3.5
Crore equity shares of Rs.10/- each; that its issued, subscribed
and paid up share capital is Rs.30.3 Crores divided into 3.03
Crore equity shares of Rs.10/- each.

The petitioner further pleaded that as itself and the
Transferee Company are engaged in the similar nature of



businesses, they intend to consolidate both their businesses; that the proposed amalgamation would result in a single Company, with rationalized structure, greater integration, financial strength and flexibility aiding in achieving economies of scale, sourcing benefits, vendor rationalization *etc.*, and that the interests of any shareholders or creditors of either Companies will not be prejudiced as a result of sanction of the proposed scheme of amalgamation.

The petitioner averred that, having regard to the benefits of the proposed scheme of amalgamation, its Board of Directors *vide* resolution, dated 16-10-2014, approved the proposed scheme of amalgamation and fixed the appointed date as 01-04-2015; and that by similar resolution, dated 16.10.2014, the Board of Directors of the Transferee Company has also approved the proposed scheme of amalgamation.

This Court, by Order, dated 27-01-2015, in Company Application No.34 of 2015, dispensed with the requirement of holding the meeting of the unsecured creditors of the applicant Company, ordered holding of the meeting of the equity shareholders of the petitioner Company and appointed a Chair Person for holding the said meeting.



The Chair Person, has since filed his report, dated 13.03.2015, wherein it is stated that 51 members have attended the meeting in person, 176 members have attended through proxy and the total number of ballots polled was 227. The Chair Person has further reported that the result showed that 95.66% of the shareholders holding 99.81% of shares have voted in favour of the proposal.

In pursuance of the notice issued by this Court, the Regional Director, Ministry of Corporate Affairs, South Eastern Region, Hyderabad, and the Official Liquidator attached to this Court have submitted their respective reports.

In his report, dated 10-06-2015, the Regional Director has filed objection, dated 23-04-2015, communicated by the Assistant Commissioner of Income Tax. A perusal of the same would show that it was made on the premise that the amalgamated company i.e., the petitioner is making losses.

Mr.S.Ravi, learned Senior Counsel appearing for Mr.Ch.Pushyam Kiran, learned Counsel for the petitioner, submitted that the said objection has been raised on the assumption that the petitioner is making losses and that the same is wholly unsustainable for the reason that the certified copies of the balancesheets filed by the petitioner for the years



ended 31-03-2013 and 31-03-2014 would show that the petitioner has made a profit of Rs.230 Crores during the year 2012-2013 and Rs.280 Crores during the year 2013-2014.

I have perused the balancesheets and I find merit in the above submission. The learned Counsel appearing for the Regional Director has not disputed this fact. Therefore, as rightly pointed out by the learned Senior Counsel, the objection raised by the Income Tax Department has no legal basis. Except the said objection, no other objections have been raised by the Regional Director with regard to the proposed amalgamation. The Registrar of Companies, Hyderabad, has reported that both the petitioner- Transferor Company and the Transferee Company involved in the scheme of amalgamation are regular in filing returns and that no inspections or investigations are pending against them.

In the report filed by the Official Liquidator, he has mainly raised two objections viz.,

- (i) that the petitioner has not filed proof of service on the unsecured creditors as ordered by this Court; and
- (ii) that scheme envisaging transfer of household properties held by the Transferor Company in favour of the Transferee Company needs clarification.

As regards the first objection, the petitioner has filed the list of unsecured creditors numbering 1039 and also filed proof



sending notices through registered post acknowledgment due to their addresses. The learned Senior Counsel submitted that he has not received any objections from any of the unsecured creditors so far.

As regards the second objection, Clause 6.4 of the Scheme Envisages transfer of all the immovable properties, whether freehold or leasehold, to the Transferee Company with effect from the appointed date.

The learned Senior Counsel submitted that so far, no objections have been received from any of the lessors of the petitioner. He has further submitted that the transfer of assets will take place in pursuance of the Scheme from the appointed date, which shall be subject to the approval by this Court and that transfer would not mean that any rights of the lessors under the lease agreements with the petitioner would be affected.

In the absence of any objection raised by the lessors to the transfer of leases so far, it is not necessary for this Court to examine the covenants under the lease agreements with the petitioner. However, mere approval of the scheme of amalgamation shall not be understood as this Court upholding the legality or otherwise of the transfer of leases and the lessors



under the respective lease agreements are entitled to enforce their rights and obligations arising under the lease agreement against the transferee Company.

The learned Senior Counsel has submitted that, as ordered by this Court, he has carried out advertisement in two daily newspapers *viz.*, the Hindu (English) and Andhra Jyothi (Telugu) of Hyderabad editions having circulation in the State of Telangana regarding the approval of the proposed scheme of amalgamation and that he has not received any claims or objections in response thereto.

At the hearing, learned Counsel for the Official Liquidator stated that the two objections raised by the Official Liquidator having been clarified, the Official Liquidator has no objection for sanction of the proposed scheme of amalgamation as the affairs of the petitioner- Transferor Company are not conducted in a manner prejudicial to the interests of its members or to the public interest.

Having regard to the respective reports of the Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad and the Official Liquidator and as no objections/claims have been received in pursuance of the paper publications, this Court is of the opinion that the proposed



CVNR, J
C.P.No.49 of 2015
Dt: 20-07-2015

8

Scheme of amalgamation is in conformity with the provisions of the Act, and that the same does not in any manner affect the interests of any of the stake holders including the public.

Hence, the proposed scheme of amalgamation is sanctioned with effect from the appointed date i.e., 01.04.2015. The petitioner- Transferor Company is ordered to be dissolved without going through the process of winding up. The petitioner shall cause a certified copy of this order delivered, within 30 days from the date of its receipt, to the Registrar of Companies, Hyderabad, and take all other consequential actions in pursuance of the approval of the proposed scheme of amalgamation.

The Company Petition is, accordingly, allowed.

Sd/- V.RAMESH
JOINT REGISTRAR.

// TRUE COPY //

SECTION OFFICER

To

1. Sri Vivek Agarwal, Company Secretary, CMC Limited, Regd. Office at CMC Centre, Old Mumbai Highway, Gachibowli, Hyderabad-500 032.
2. The Authorised Signatory, M/s. Tata Consultancy Services Limited, Regd. Office at 9th Floor, Nirmal Building, Nariman Point, Mumbai-400 021, Maharashtra.
3. The Official Liquidator, High Court of Judicature at Hyderabad, Office at 5-4-400, II Floor, Gagan Vihar, Opp. Gandhi Bhavan, Nampally, Hyderabad.
4. The Registrar of Companies, 3-5-398, C.P.W.D. Buildings, Kendriya Sadan, Sultan Bazar, Koli, Hyderabad.
5. The Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad, Office at II Floor, 3-5-398, C.P.W.D. Buildings, Kendriya Sadan, Sultan Bazar, Koli, Hyderabad.
6. The Section Officer, O.S. Section, High Court of Judicature at Hyderabad, State of Andhra Pradesh and the State of A.P.

[Signature]
SUPERINTENDENT
Copyist Department

High Court of Judicature at Hyderabad
for the State of Telangana
and the State of Andhra Pradesh

HIGH COURT

DT: 20-07-2015

ORDER

C.P.NO.49 OF 2015

ALLOWING THE COMPANY PETITION,

11 Copies
10/7/8

High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh	
C.P.No.	509 2015
Application made	21-7-2015
Application returned	2015
Application represented	2015
Stamp called for	17-8-2015
Stamps deposited	17-8-2015
Addl. Stamps called for	2015
Addl. Stamps deposited	2015
Copy ready	19-8-2015
af 19/8 Section Officer	

HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH
(ORDINARY ORIGINAL/CIVIL JURISDICTION)

MONDAY, THE TWENTIETH DAY OF JULY
TWO THOUSAND AND FIFTEEN

PRESENT:

THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

COMPANY PETITION No.49 OF 2015

IN THE MATTER OF THE COMPANIES ACT, 1956 (1 OF 1956)
AND
IN THE MATTER OF SECTIONS 391 TO 394
AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
BETWEEN CMC LIMITED AND TATA CONSULTANCY SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
AND
IN THE MATTER OF CMC LIMITED

CMC Limited,
A company incorporated under the
Companies Act, 1956, having its registered
office at CMC Centre, Old Mumbai Highway,
Gachibowli, Hyderabad - 500 032, represented
by its Company Secretary, Mr. Vivek Agarwal

..... Petitioner Company/Transferor Company

Petition under Sections 391 to 394 and other Applicable Provisions of the Companies Act, 1956 read with Rule 79 of the Companies (Court) Rules, 1959, praying that this Hon'ble Court may be pleased to order that The Scheme of Amalgamation between CMC Limited (Petitioner/Transferor Company) and Tata Consultancy Services Limited (Transferee Company) and their respective shareholders and creditors be sanctioned by the Hon'ble Court so as to be binding on all shareholders and creditors of the Petitioner/Transferor Company;

This Petition coming on for orders upon reading the Company Petition and the affidavit dated 16-03-2015 filed by Sri Vivek Agarwal, Company Secretary of the Petitioner Company in support of the Petition and upon hearing the arguments of Sri S.Ravi, Senior Counsel for Sri Ch.Pushyam Kran, Advocate for the Petitioner and Sri B.Appa Rao for Sri B.Narayana Reddy, Assistant Solicitor General and Sri M.Anil Kumar, Counsel for Official Liquidator appearing in this matter.

THIS COURT DOETH ORDER

1. That this court doth hereby sanction the scheme of amalgamation with effect from the appointed date i.e. 01-04-2015 and doth hereby declare the same to be binding on the transferor company and the transferee company and a copy is annexed hereto as Annexure "P-1" Scheme of Amalgamation;





2. That all the property, rights and powers of the transferor company mentioned in the Clause 3. D of the Scheme of Amalgamation hereto and all other property, rights and powers of the transferor company be transferred without further act or deed to the transferee company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and vest in the transferee company for all the estate and interest of the transferor company therein but subject nevertheless to all charges now affecting the same other than (here set out any changes by virtue of the compromise or arrangement are to cease to have effect); and
3. That all the liabilities and duties of the transferor company be transferred without further act or deed to the transferee company and accordingly the same shall, pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities of the transferee company; and
4. That all proceedings now pending by or against the transferor company be continued by or against the transferee company; and
5. That the transferee company do without further application allot to such members of the transferor company as have not given such notice of dissent as is required by clause 11 of the scheme of amalgamation herein, the shares in the transferee company to which they are entitled under the said compromise or arrangement; and
6. That the Transferor Company and Transferee company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration; and on such certified copy being so delivered the transferor company shall be dissolved without going through the process of winding up and the Registrar of Companies shall place all documents relating to the transferor company, and Registered with him on the file kept by him in relation to the transferee company and files relating to the said two companies shall be consolidated accordingly; and
7. That any person interested shall be at liberty to apply to the court in the above matter for any directions that may be necessary.

Sd/- V.RAMESH
JOINT REGISTRAR

// TRUE COPY //

SECTION OFFICER

To

1. Sri Vivek Agarwal, Company Secretary, CMC Limited, Regd. Office at CMC Centre, Old Mumbai Highway, Gachibowli, Hyderabad-500 032.
2. The Authorised Signatory, M/s. Tata Consultancy Services Limited, Regd. Office at 9th Floor, Nirmal Building, Nariman Point, Mumbai-400 021, Maharashtra.
3. The Official Liquidator, High Court of Judicature at Hyderabad, Office at 5-4-400, II Floor, Gagan Vihar, Opp. Gandhi Bhavan, Nampally, Hyderabad.
4. The Registrar of Companies, 3-5-398, C.P.W.D. Buildings, Kendriya Sadan, Sultan Bazar, Koli, Hyderabad.
5. The Regional Director, South Eastern Region, Ministry of Corporate Affairs, Hyderabad, Office at II Floor, 3-5-398, C.P.W.D. Buildings, Kendriya Sadan, Sultan Bazar, Koli, Hyderabad.
6. The Section Officer, O.S. Section, High Court of Judicature at Hyderabad, for the State of Telangana and the State of A.P.
7. One CC to Sri Ch. Pushyami Kiran, Advocate (opuc).
8. One CC to Sri B. Narayana Reddy, Assistant Solicitor General, High Court at Hyderabad. (opuc)
9. Two C.D. Copies.

MRC

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High Court of Judicature at Hyderabad,
for the State of Telangana,
and for the State of Andhra Pradesh

High Court of Judicature at Hyderabad
for the State of Telangana and the
State of Andhra Pradesh

Case No. 509 2015
Application made 21-7-2015
Application returned 2015
Application represented 2015
Stamps called for 17-8-2015
Stamps deposited 17-8-2015
Addl. Stamps called for 2015
Addl. Stamps deposited 2015
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Section Officer