

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

NOTICE CONVENING MEETING

To,

EQUITY SHAREHOLDERS OF JAIPRAKASH ASSOCIATES LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Equity Shareholders of Jaiprakash Associates Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on FRIDAY, the 27th March, 2009, at 10.30 AM for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.

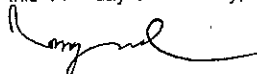
Take further notice that in pursuance of the said order, a meeting of the Equity Shareholders of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on **FRIDAY, the 27th March, 2009 at 10.30 AM**, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at Sector 128, Noida 201 304 (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri S.D. Singh, Advocate, and failing him, Shri Diptiman Singh, Advocate, to be the Chairman of the said meeting.

A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P. AGARWAL]
Advocate

Counsel for Applicant Companies



[S.D. SINGH]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initialed.
2. The Company will make suitable arrangement for transportation of Shareholders to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 10.30 A.M. on 25th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 9.00 A.M. on 27th March, 2009. Those who want to avail the facility must reach the pick up point by 8.45 A.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFeree COMPANY]

PART - I - INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1981. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttrakhand, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, Hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II - DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 "Appointed Date" shall mean 1st of April 2008.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 "Court" or the "High Court" means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.F. & Uttrakhand.
- 2.06 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 "Scheme" means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modification(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 "Shareholders" with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 "Transferee Company" or "JAL" means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 "Transferor Company No. 1" or "JHL" means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 "Transferor Company No. 2" or "JCL" means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 "Transferor Companies" shall mean and include all the four Transferor Companies namely,
(i) Jaypee Hotels Limited [Transferor Company No. 1]
(ii) Jaypee Cement Limited [Transferor Company No. 2]
(iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
(iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

(Rs. In lakhs)
As at 31-3-2008

3.01 CAPITAL STRUCTURE:

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under --

JAL [Transferee Company]:

AUTHORISED CAPITAL:	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	<u>300,000,000</u>
TOTAL	<u>10,600,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
117,15,22,417 Equity Shares of Rs. 2 each fully paid up	<u>2,343,044,834</u>

(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1]:

AUTHORISED CAPITAL:	
59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	<u>10,000,000</u>
TOTAL	<u>600,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>

JCL [TRANSFEROR COMPANY No. 2]:

AUTHORISED CAPITAL:	
500,000,000 Equity shares of Rs. 10 each	<u>5,000,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
355,950,700 Equity Shares of Rs. 10 each fully paid up	<u>3,559,507,000</u>

(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3]:

AUTHORISED CAPITAL:	
29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	<u>2,000,000</u>
TOTAL	<u>300,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>

GACL [TRANSFEROR COMPANY No. 4]:

AUTHORISED CAPITAL:	
350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>

(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION:

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of these companies as per the above latest Audited Accounts is as under:

JAL [TRANSFEREE COMPANY]:

ASSETS:		
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		<u>1,347,473</u>

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans --		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		<u>1,347,473</u>

JHL [TRANSFEROR COMPANY No. 1]:

ASSETS:		
Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		<u>20,489</u>

SOURCES OF FUNDS :

Share Capital		5,549
Reserves and Surplus		8,786
Loans --		
Secured	21,51	
Unsecured	<u>20</u>	2,171
Deferred Tax Liability		3,983
TOTAL		<u>20,489</u>

JCL [TRANSFEROR COMPANY No. 2]:

ASSETS:		
Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances :	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		<u>37,730</u>

SOURCES OF FUNDS :

Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		25
TOTAL		<u>37,730</u>

JEL [TRANSFEROR COMPANY No. 3]:

ASSETS:		
Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		<u>6,599</u>

SOURCES OF FUNDS :

Share Capital		2,670
Reserves and Surplus		3,929
TOTAL		<u>6,599</u>

GACL [TRANSFEROR COMPANY No. 4]:

ASSETS:		
Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		<u>76,536</u>

SOURCES OF FUNDS :

Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,949
TOTAL		<u>76,536</u>

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART-IV - TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable - freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature; to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be a party, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date:
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.

PART – V – ISSUE AND ALLOTMENT OF SHARES

- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -
- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
- (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
- (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
- (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of

- fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.

PART - VI - GENERAL TERMS AND CONDITIONS

- 6.01 Until the coming into effect of the Scheme :
- The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - 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 the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - The inter-company balances, if any, shall stand cancelled.
 - The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or ir solvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

IN

COMPANY APPLICATION No. 03 OF 2009

IN THE MATTER OF AMALGAMATION OF:

JAYPEE HOTELS LIMITED

JAYPEE CEMENT LIMITED

JAIPRAKASH ENTERPRISES LIMITED

GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL") Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL") Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL") Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL") Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL") Transferor Company No. 4

APPLICANTS

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.

- (iv) The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- (v) The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under:

As on 31-03-2008
Rs. In Lacs

ASSETS			
Fixed Assets (WDV)		793,052	
Investments		322,483	
Deferred Tax Assets		1,149	
Current Assets, Loans & Advances :	596,293		
Less Current Liabilities & Provisions	<u>365,414</u>	230,779	
Misc. Expenditure not w/off		10	
TOTAL		<u>1,347,473</u>	

SOURCES OF FUNDS :

Share Capital		23,430	
Reserves and Surplus		396,520	
Equity Warrants		39,850	
Loans -			
Secured	464,030		
Unsecured	<u>366,528</u>	830,558	
Deferred Tax Liability		57,115	
TOTAL		<u>1,347,473</u>	

1. The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.
2. The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.
3. Reg. TRANSFEREE COMPANY :

[JAIPRAKASH ASSOCIATES LIMITED]

(i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

(ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

	Rs.
AUTHORISED CAPITAL:	
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	<u>300,000,000</u>
TOTAL	<u>10,600,000,000</u>

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :

500,000,000 Equity shares of Rs. 10 each 5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

355,950,700 Equity Shares of Rs. 10 each
fully paid up 3,559,507,000

However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood increased to Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each.

4. Reg. TRANSFEROR COMPANY No. 1 :
[JAYPEE HOTELS LIMITED]

- (i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	<u>600,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

55,490,000 Equity Shares of Rs. 10 each fully paid up	554,900,000
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There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.
- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.
- (vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :

Fixed Assets (WDV)	20,154
Capital Work-in-progress	138
Investments	72
Current Assets, Loans & Advances :	16,031
Less Current Liabilities & Provisions	15,906
TOTAL	<u>20,489</u>

SOURCES OF FUNDS :

Share Capital	5,549
Reserves and Surplus	8,786
Loans -	
Secured	2,151
Unsecured	20
Deferred Tax Liability	2,171
TOTAL	<u>20,489</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2 :
[JAYPEE CEMENT LIMITED]

- (i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.
- (ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs 100 each	2,000,000
TOTAL	<u>300,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

26,700,000 Equity Shares of Rs. 10 each fully paid up	267,000,000
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There has been no change in the above capital structure of the company after 31-03-2008.

6. Reg. TRANSFEROR COMPANY No. 3 :
[JAIPRAKASH ENTERPRISES LIMITED]

- (i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs 100 each	2,000,000
TOTAL	<u>300,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

26,700,000 Equity Shares of Rs. 10 each fully paid up	267,000,000
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There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008	
Rs. In Lacs	
ASSETS :	
Fixed Assets (WDV)	1,285
Capital Work-in-progress	50
Investments	5,618
Current Assets, Loans & Advances :	7,440
Less Current Liabilities & Provisions	<u>7,723</u>
Deferred Tax Liability	(71)
TOTAL	<u>6,599</u>
SOURCES OF FUNDS :	
Share Capital	2,670
Reserves and Surplus	<u>3,929</u>
TOTAL	<u>6,599</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008	
Rs.	
AUTHORISED CAPITAL :	
350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :	
333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>

- However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.
- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Transferor Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008	
Rs. In Lacs	
ASSETS :	
Fixed Assets (WDV)	1,685
Capital Work-in-progress	68,478
Incidental Expenses during construction	6,376
Investments	1,901
Current Assets, Loans & Advances :	5,162
Less Current Liabilities & Provisions	<u>7,245</u>
Misc. Expenditure	179
TOTAL	<u>76,536</u>

SOURCES OF FUNDS :	
Share Capital	33,397
Share Application Money	3,183
Reserves and Surplus	6
Loan Funds (Secured)	<u>39,950</u>
TOTAL	<u>76,536</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below -

[Para numbers are as assigned in the Scheme]

- 2.02 "Appointed Date" shall mean "1st of April 2008".
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Utrakhnad.
- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable - freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,00,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs 100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

or a duly constituted committee of such Board of Directors -

- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
 - (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
 - (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
 - (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company, in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled:
- The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansi S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below -
- The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.
- Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.
12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under -

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131	-	-	-
5	Shri A. K. Sahoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. C. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Taparia	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constr.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	19,327	-	-	1,900
	TOTAL	6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4.	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	1,900
11	Shri B. K.Taparia	-	-	-	-	-
12	Shri Harish K. Vaid	56,620	1,000	-	-	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam	-	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
TOTAL		4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	1,900
10	Shri Vijai Kumar Jain	6,560	-	-	40,000	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
TOTAL		4,511,145	23,148	-	80,000	5,700

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No. 3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
TOTAL		2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Alok Gaur (Whole-time)	-	-	-	13,000	1,900
TOTAL		4,310,830	26,938	-	13,000	3,800

*since resigned.

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,16,13,213	44.91	118	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-institutions	4,53,621	24,53,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,293	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds [FCCBs] aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.
15. The proposed Scheme will not prejudicially affect the interest of any creditors (including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors) as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.
16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.
17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.
18. No investigation proceedings under Sections 235 to 251 and the like are

- pending against the Transferee or the Transferor Companies.
19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings -
- Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
 - Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
 - Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
 - Memorandum & Articles of Association of all the Applicant Companies
 - Valuation Report submitted by Bansil S. Mehta & Co., Chartered Accountants, Mumbai
 - Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
 - Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
 - Details of important pending legal cases by or against the Applicant Companies
 - No Objection letters received from Stock Exchanges
 - Lists of shareholders of the Applicant Companies
 - List of Creditors of the Applicant Companies
 - Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
 - Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

Information is also available on the website : www.jalindia.com

Sd/-
[R.P. AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD-211001

Sd/-
[S.D. SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL

Sd/-
[Rajinath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL.

Dated : 14th day of February, 2009

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Shareholder(s)/Creditor(s) of Jaiprakash Associates Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Shareholders/Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Friday, the 27th March, 2009 at _____ A.M./P.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp
of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

JAIPRAKASH ASSOCIATES LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Shareholders/Creditors of Jaiprakash Associates Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida -- 201307 (UP), INDIA on Friday, the 27th March, 2009 at _____ am/_____ pm.

Full Name _____ Signature _____

(Only Shareholders/Creditors or their Proxies are allowed to attend)

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) Transferor Company No. 4

NOTICE CONVENING MEETING

..... APPLICANTS

To,

CREDITORS OF JAIPRAKASH ASSOCIATES LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Creditors of Jaiprakash Associates Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on FRIDAY, the 27th March, 2009, at 2.30 P.M for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.

Take further notice that in pursuance of the said order, a meeting of the Creditors of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on FRIDAY, the 27th March, 2009 at 2.30 PM, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at Sector 128, Noida 201 304 (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri S D Singh, Advocate, and failing him, Shri Diptiman Singh, Advocate, to be the Chairman of the said meeting.

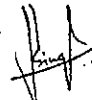
A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P.AGARWAL]
Advocate

Counsel for Applicant Companies



[S.D. SINGH]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initialed.
2. The Company will make suitable arrangement for transportation of Creditors to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 02.30 P.M. on 25th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 1.00 P.M. on 27th March, 2009. Those who want to avail the facility must reach the pick up point by 12.45 P.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFEREE COMPANY]

PART - I - INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1981. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985 and a fresh Certificate of Incorporation, showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttarakhand, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II - DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 "Appointed Date" shall mean, 1st of April 2008'.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 "Court" or the "High Court" means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttarakhand.
- 2.06 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 "Scheme" means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modification(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 "Shareholders" with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 "Transferee Company" or "JAL" means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 "Transferor Company No. 1" or "JHL" means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 "Transferor Company No. 2" or "JCL" means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 "Transferor Companies" shall mean and include all the four Transferor Companies namely,
(i) Jaypee Hotels Limited [Transferor Company No. 1]
(ii) Jaypee Cement Limited [Transferor Company No. 2]
(iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
(iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

(Rs. In lakhs)
As at 31-3-2008

3.01 CAPITAL STRUCTURE :

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under –

JAL [Transferee Company] :

AUTHORISED CAPITAL :

	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

117,15,22,417 Equity Shares of Rs. 2 each fully paid up	<u>2,343,044,834</u>
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(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1] :

AUTHORISED CAPITAL :

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>
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JCL [TRANSFEROR COMPANY No. 2] :

AUTHORISED CAPITAL :

500,000,000 Equity shares of Rs. 10 each	<u>5,000,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

355,950,700 Equity Shares of Rs. 10 each fully paid up	<u>3,559,507,000</u>
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(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3] :

AUTHORISED CAPITAL :

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	2,000,000
TOTAL	300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>
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GACL [TRANSFEROR COMPANY No. 4] :

AUTHORISED CAPITAL :

350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>
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(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION :

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of the these companies as per the above latest Audited Accounts is as under:

JAL [TRANSFEREE COMPANY] :

ASSETS :

Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans –		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

JHL [TRANSFEROR COMPANY No. 1] :

ASSETS :

Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		20,489

SOURCES OF FUNDS :

Share Capital		5,549
Reserves and Surplus		8,786
Loans –		
Secured	21,51	
Unsecured	<u>20</u>	2,171
Deferred Tax Liability		3,983
TOTAL		20,489

JCL [TRANSFEROR COMPANY No. 2] :

ASSETS :

Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances :	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		37,730

SOURCES OF FUNDS :

Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		25
TOTAL		37,730

JEL [TRANSFEROR COMPANY No. 3] :

ASSETS :

Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		6,599

SOURCES OF FUNDS :

Share Capital		2,670
Reserves and Surplus		3,929
TOTAL		6,599

GACL [TRANSFEROR COMPANY No. 4] :

ASSETS :

Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		76,536

SOURCES OF FUNDS :

Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,949
TOTAL		76,536

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART – IV – TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/ or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date:
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- PART – V – ISSUE AND ALLOTMENT OF SHARES**
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -
- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
- (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
- (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited
- as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
- (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of

- fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- PART - VI – GENERAL TERMS AND CONDITIONS**
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
- (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
- (ii) The inter-company balances, if any, shall stand cancelled.
- (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
- (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
- (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
- (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL")
..... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL")
..... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL")
..... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL")
..... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL")
..... Transferor Company No. 4

APPLICANTS

1. The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.

2. The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.

3. Reg. TRANSFEREE COMPANY :

[JAIPRAKASH ASSOCIATES LIMITED]

- (i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

- (ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

AUTHORISED CAPITAL :	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.

- (iv) The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- (v) The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under :

	As on 31-03-2008	
	Rs. In Lacs	
ASSETS		
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,414</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473
SOURCES OF FUNDS :		
Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans -		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :

500,000,000 Equity shares of Rs. 10 each 5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

355,950,700 Equity Shares of Rs. 10 each
fully paid up 3,559,507,000

However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood increased to Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each.

4. Reg. TRANSFEROR COMPANY No. 1 :
[JAYPEE HOTELS LIMITED]

- (i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
59,000,000 Equity shares of Rs. 10 each 590,000,000
100,000 Preference Shares of Rs. 100 each 10,000,000
TOTAL 600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
55,490,000 Equity Shares of Rs. 10 each
fully paid up 554,900,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.
- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.
- (vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :
Fixed Assets (WDV) 20,154
Capital Work-in-progress 138
Investments 72
Current Assets, Loans & Advances : 16,031
Less Current Liabilities & Provisions 15,906 125
TOTAL 20,489

SOURCES OF FUNDS :
Share Capital 5,549
Reserves and Surplus 8,786
Loans -
Secured 2,151
Unsecured 20 2,171
Deferred Tax Liability 3,983
TOTAL 20,489

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2 :
[JAYPEE CEMENT LIMITED]

- (i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.
- (ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

AUTHORISED CAPITAL :

29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares
of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

6. Reg. TRANSFEROR COMPANY No. 3 :
[JAIPRAKASH ENTERPRISES LIMITED]

- (i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares
of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	1,285
Capital Work-in-progress	50
Investments	5,618
Current Assets, Loans & Advances :	7,440
Less Current Liabilities & Provisions	<u>7,723</u> (283)
Deferred Tax Liability	(71)
TOTAL	6,599
SOURCES OF FUNDS :	
Share Capital	2,670
Reserves and Surplus	<u>3,929</u>
TOTAL	6,599

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.
- (ii) The registered office of the Company is situated at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :	
350,000,000 Equity shares of Rs. 10 each	3,500,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :	
333,975,070 Equity Shares of Rs. 10 each fully paid up	3,339,750,700

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.

- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Transferor Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	1,685
Capital Work-in-progress	68,478
Incidental Expenses during construction	6,376
Investments	1,901
Current Assets, Loans & Advances :	5,162
Less Current Liabilities & Provisions	<u>7,245</u> (2,083)
Misc. Expenditure	179
TOTAL	76,536

SOURCES OF FUNDS :	
Share Capital	33,397
Share Application Money	3,183
Reserves and Surplus	6
Loan Funds (Secured)	<u>39,950</u>
TOTAL	76,536

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below -

[Para numbers are as assigned in the Scheme]

2.02 "Appointed Date" shall mean "1st of April 2008".

2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttarakhand.

4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.

4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable - freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.

4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.

4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :

- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

or a duly constituted committee of such Board of Directors -

- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
 - (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
 - (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
 - (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned, the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
- (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
- (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansi S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below -

The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.

Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.

Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.

12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under -

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131	-	-	-
5	Shri A. K. Sahoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. C. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar*	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Tapania	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constrn.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time) *	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,900
	TOTAL	6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	1,900
11	Shri B. K.Taparia	-	-	-	-	-
12	Shri Harish K. Vaid	56,620	1,000	-	-	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam	-	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
TOTAL		4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	1,900
10	Shri Vijal Kumar Jain	6,560	-	-	40,000	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
TOTAL		4,511,145	23,148	-	80,000	5,700

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No. 3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
TOTAL		2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Alok Gaur (Whole-time)	-	-	-	13,000	1,900
TOTAL		4,310,830	26,938	-	13,000	3,800

*since resigned

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,16,13,213	44.91	118	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-institutions	4,50,621	24,53,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,293	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds (FCCBs) aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.
15. The proposed Scheme will not prejudicially affect the interest of any creditors [including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors] as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.
16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.
17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange ; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.
18. No investigation proceedings under Sections 235 to 251 and the like are

pending against the Transferee or the Transferor Companies.

19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings –
- Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
 - Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
 - Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
 - Memorandum & Articles of Association of all the Applicant Companies
 - Valuation Report submitted by Bansil S. Mehta & Co., Chartered Accountants, Mumbai
 - Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
 - Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
 - Details of important pending legal cases by or against the Applicant Companies
 - No Objection letters received from Stock Exchanges
 - Lists of shareholders of the Applicant Companies
 - List of Creditors of the Applicant Companies
 - Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
 - Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

Information is also available on the website : www.jalindia.com

Sd/-
[R.P.AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD – 211001

Sd/-
[S.D.SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL

Sd/-
[Rajnath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL.

Dated : 14th day of February, 2009

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

ORIGINAL JURISDICTION

IN THE MATTER OF COMPANIES ACT, 1956

AND IN THE MATTER OF :

Company Application No. 03 of 2009

Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED

JAYPEE CEMENT LIMITED

JAIPRAKASH ENTERPRISES LIMITED

GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Shareholder(s)/Creditor(s) of Jaiprakash Associates Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ falling him/her, Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Shareholders/Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Friday, the 27th March, 2009 at _____ A.M./P.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp
of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

JAIPRAKASH ASSOCIATES LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Shareholders/Creditors of Jaiprakash Associates Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida - 201307 (UP), INDIA on Friday, the 27th March, 2009 at _____ am/_____ pm.

Full Name _____ Signature _____

(Only Shareholders/Creditors or their Proxies are allowed to attend)

BOOK-POST

UPC

UPC (Universal Product Code) is a barcode-based system for tracking individual items. It is used by retailers and manufacturers to identify products and manage inventory. The system consists of a series of vertical bars of varying widths, which are scanned by a barcode reader to provide information about the product, such as its name, price, and manufacturer.

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If undelivered please return to:

JAIPRAKASH ASSOCIATES LIMITED

Sector-128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

NOTICE CONVENING MEETING

To,

EQUITY SHAREHOLDERS OF JAYPEE HOTELS LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Equity Shareholders of Jaypee Hotels Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SATURDAY, the 28th March, 2009, at 10.30 AM for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.


Take further notice that in pursuance of the said order, a meeting of the Equity Shareholders of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SATURDAY, the 28th March, 2009 at 10.30 AM, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at Hotel Jaypee Palace, Fatehabad Road, Agra (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri Rajnath N Shukla, Advocate, and failing him, Shri Arun Kumar Pundir, Advocate, to be the Chairman of the said meeting.

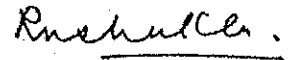
A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P. AGARWAL]
Advocate

Counsel for Applicant Companies



[RAJNATH N SHUKLA]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initiated.
2. The Company will make suitable arrangement for transportation of Shareholders to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 10.30 A.M. on 26th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 9.00 A.M. on 28th March, 2009. Those who want to avail the facility must reach the pick up point by 8.45 A.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFEREE COMPANY]

PART - I - INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-11-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1981. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act, 1956 on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttaranchal, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II - DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 "Appointed Date" shall mean 1st of April 2008.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 "Court" or the "High Court" means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 2.06 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 "Scheme" means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modifications(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 "Shareholders" with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 "Transferee Company" or "JAL" means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 "Transferor Company No. 1" or "JHL" means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 "Transferor Company No. 2" or "JCL" means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 "Transferor Companies" shall mean and include all the four Transferor Companies namely,
(i) Jaypee Hotels Limited [Transferor Company No. 1]
(ii) Jaypee Cement Limited [Transferor Company No. 2]
(iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
(iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

(Rs. In lakhs)
As at 31-3-2008

3.01 CAPITAL STRUCTURE:

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under --

JAL [Transferee Company] :

AUTHORISED CAPITAL :

	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

117,15,22,417 Equity Shares of Rs. 2 each fully paid up	<u>2,343,044,834</u>
---	----------------------

(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1] :

AUTHORISED CAPITAL :

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>
---	--------------------

JCL [TRANSFEROR COMPANY No. 2] :

AUTHORISED CAPITAL :

500,000,000 Equity shares of Rs. 10 each	<u>5,000,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

355,950,700 Equity Shares of Rs. 10 each fully paid up	<u>3,559,507,000</u>
--	----------------------

(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3] :

AUTHORISED CAPITAL :

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	2,000,000
TOTAL	300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>
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GACL [TRANSFEROR COMPANY No. 4] :

AUTHORISED CAPITAL :

350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
--	----------------------

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>
--	----------------------

(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION :

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of these companies as per the above latest Audited Accounts is as under:

JAL [TRANSFEREE COMPANY] :

ASSETS :

Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans --		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

JHL [TRANSFEROR COMPANY No. 1] :

ASSETS :

Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		20,489

SOURCES OF FUNDS :

Share Capital		5,549
Reserves and Surplus		8,786
Loans --		
Secured	21,51	
Unsecured	<u>20</u>	2,171
Deferred Tax Liability		3,983
TOTAL		20,489

JCL [TRANSFEROR COMPANY No. 2] :

ASSETS :

Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances :	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		37,730

SOURCES OF FUNDS :

Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		25
TOTAL		37,730

JEL [TRANSFEROR COMPANY No. 3] :

ASSETS :

Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		6,599

SOURCES OF FUNDS :

Share Capital		2,670
Reserves and Surplus		3,929
TOTAL		6,599

GACL [TRANSFEROR COMPANY No. 4] :

ASSETS :

Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		76,536

SOURCES OF FUNDS :

Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,949
TOTAL		76,536

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART - IV - TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable - freehold or leasehold tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, rights to use and avail of telephones, telexes, facsimile, e-mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies; and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangements.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

"V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."

4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.

4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

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

(i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;

(ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.

(iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.

4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.

PART - V - ISSUE AND ALLOTMENT OF SHARES

5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -

(a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.

(b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.

(c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited

as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.

(d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.

5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument; deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.

5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.

5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.

5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.

5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.

5.07 No certificate(s) shall be issued by the Transferee Company in respect of

fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, hereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.

- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.

PART - VI – GENERAL TERMS AND CONDITIONS

- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.

- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
EXPLANATORY STATEMENT
UNDER SECTION 393 OF THE COMPANIES ACT, 1956
ANNEXED TO THE NOTICES CONVENING THE MEETINGS OF SHAREHOLDERS/CREDITORS
PURSUANT TO THE ORDER DATED 09-02-2009 PASSED BY THE HON'BLE ALLAHABAD HIGH COURT

IN
COMPANY APPLICATION No. 03 OF 2009
IN THE MATTER OF AMALGAMATION OF :
JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED
WITH
JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL") Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL") Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL") Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL") Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL") Transferor Company No. 4

..... APPLICANTS

1. The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.
2. The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.
3. Reg. TRANSFEREE COMPANY :

[JAIPRAKASH ASSOCIATES LIMITED]

(i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

(ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

AUTHORISED CAPITAL:	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	<u>10,600,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.

- (iv) The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- (v) The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS		
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,414</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		<u>1,347,473</u>

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans -		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		<u>1,347,473</u>

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
500,000,000 Equity shares of Rs. 10 each 5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
355,950,700 Equity Shares of Rs. 10 each
fully paid up 3,559,507,000

However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood increased to Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each.

4. Reg. TRANSFEROR COMPANY No. 1:
[JAYPEE HOTELS LIMITED]

(i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.

(ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
59,000,000 Equity shares of Rs. 10 each 590,000,000
100,000 Preference Shares of Rs. 100 each 10,000,000
TOTAL 600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
55,490,000 Equity Shares of Rs. 10 each
fully paid up 554,900,000

There has been no change in the above capital structure of the company after 31-03-2008.

(iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.

(v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.

(vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.

(vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS:
Fixed Assets (WDV) 20,154
Capital Work-in-progress 138
Investments 72
Current Assets, Loans & Advances : 16,031
Less Current Liabilities & Provisions 15,906 125
TOTAL 20,489

SOURCES OF FUNDS :
Share Capital 5,549
Reserves and Surplus 8,786
Loans –
Secured 2,151
Unsecured 20 2,171
Deferred Tax Liability 3,983
TOTAL 20,489

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2:
[JAYPEE CEMENT LIMITED]

(i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.

(ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.
AUTHORISED CAPITAL:
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

6. Reg. TRANSFEROR COMPANY No. 3:
[JAIPRAKASH ENTERPRISES LIMITED]

(i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.

(ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :		
Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		<u>(71)</u>
TOTAL		<u>6,599</u>

SOURCES OF FUNDS :

Share Capital		2,670
Reserves and Surplus		<u>3,929</u>
TOTAL		<u>6,599</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :	
350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :	
333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.

- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :		
Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		<u>76,536</u>

SOURCES OF FUNDS :

Share Capital		33,397
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		<u>39,950</u>
TOTAL		<u>76,536</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below –

[Para numbers are as assigned in the Scheme]

- 2.02 "Appointed Date" shall mean '1st of April 2008'.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttrakhand.
- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

or a duly constituted committee of such Board of Directors -

- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
- (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
- (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
- (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
- (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
- (ii) The inter-company balances, if any, shall stand cancelled.
- (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
- (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
- (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
- (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansi S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below -
- The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.
- Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.
12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under -

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131	-	-	-
5	Shri A. K. Sahoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. C. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar*	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Tapania	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constn.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,900
	TOTAL	6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	1,900
11	Shri B. K.Taparia	-	-	-	-	-
12	Shri Harish K. Vaid	56,620	1,000	-	-	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam	-	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
	TOTAL	4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	1,900
10	Shri Vijai Kumar Jain	6,560	-	-	40,000	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
	TOTAL	4,511,145	23,148	-	80,000	5,700

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No. 3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
	TOTAL	2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Alok Gaur (Whole-time)	-	-	-	13,000	1,900
	TOTAL	4,310,830	26,938	-	13,000	3,800

*since re... 1.

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,16,13,213	44.91	118	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-institutions	4,50,621	24,53,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,283	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds [FCCBs] aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.
15. The proposed Scheme will not prejudicially affect the interest of any creditors [including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors] as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.
16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.
17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.
18. No investigation proceedings under Sections 235 to 251 and the like are

pending against the Transferee or the Transferor Companies.

19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M. at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings –
- Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
 - Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
 - Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
 - Memorandum & Articles of Association of all the Applicant Companies
 - Valuation Report submitted by Bansi S. Mehta & Co., Chartered Accountants, Mumbai
 - Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
 - Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
 - Details of important pending legal cases by or against the Applicant Companies
 - No Objection letters received from Stock Exchanges
 - Lists of shareholders of the Applicant Companies
 - List of Creditors of the Applicant Companies
 - Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
 - Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

information is also available on the website : www.jalindia.com

Sd/-
[R.P. AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD – 211001

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL

Dated : 14th day of February, 2009

Sd/-
[S.D.SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL

Sd/-
[Rajnath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL.

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Shareholder(s)/Creditor(s) of Jaypee Hotes Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ failing him/her, Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Shareholders/ Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida- 201307 (UP), INDIA on Saturday, the 28th March, 2009 at _____ A.M./P.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp

of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

JAYPEE HOTELS LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Shareholders/Creditors of Jaypee Hotels Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida - 201307 (UP), INDIA on Saturday, the 28th March, 2009 at _____ am/_____ pm.

Full Name _____ Signature _____

(Only Shareholders/Creditors or their Proxies are allowed to attend)

BOOK-POST

UPC

If undelivered please return to:

JAYPEE HOTELS LIMITED
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
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IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).
..... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001
... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).
... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)
... Transferor Company No. 4
..... APPLICANTS

NOTICE CONVENING MEETING

To,

CREDITORS OF JAYPEE HOTELS LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Creditors of Jaypee Hotels Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SATURDAY, the 28th March, 2009, at 2.30 P.M for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.

Take further notice that in pursuance of the said order, a meeting of the Creditors of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SATURDAY, the 28th March, 2009 at 2.30 PM, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at Hotel Jaypee Palace, Fatehabad Road, Agra (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri Rajnath N Shukla, Advocate, and failing him, Shri Arun Kumar Pundir, Advocate, to be the Chairman of the said meeting.

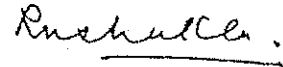
A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P. AGARWAL]
Advocate

Counsel for Applicant Companies



[RAJNATH N SHUKLA]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initialed.
2. The Company will make suitable arrangement for transportation of Creditors to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 2.30 P.M. on 26th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 1.00 P.M. on 28th March, 2009. Those who want to avail the facility must reach the pick up point by 12.45 P.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFEREE COMPANY]

PART - I - INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1990 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1981. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to 'Jaypee Chemicals Limited' with effect from 14-02-1985 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to 'Gujarat Anjan Cement Limited' with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttarakhand, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II - DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 "Appointed Date" shall mean 1st of April 2008.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 "Court" or the "High Court" means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttarakhand.
- 2.06 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 "Scheme" means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modification(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 "Shareholders" with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 "Transferee Company" or "JAL" means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 "Transferor Company No. 1" or "JHL" means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 "Transferor Company No. 2" or "JCL" means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 "Transferor Companies" shall mean and include all the four Transferor Companies namely,
(i) Jaypee Hotels Limited [Transferor Company No. 1]
(ii) Jaypee Cement Limited [Transferor Company No. 2]
(iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
(iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

(Rs. In lakhs)
As at 31-3-2008

3.01 CAPITAL STRUCTURE:

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under –

JAL [Transferee Company]:

AUTHORISED CAPITAL:

	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	<u>300,000,000</u>
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

117,15,22,417 Equity Shares of Rs. 2 each fully paid up	<u>2,343,044,834</u>
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(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1]:

AUTHORISED CAPITAL:

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	<u>10,000,000</u>
TOTAL	600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>
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JCL [TRANSFEROR COMPANY No. 2]:

AUTHORISED CAPITAL:

500,000,000 Equity shares of Rs. 10 each	<u>5,000,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

355,950,700 Equity Shares of Rs. 10 each fully paid up	<u>3,559,507,000</u>
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(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3]:

AUTHORISED CAPITAL:

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	<u>2,000,000</u>
TOTAL	300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>
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GACL [TRANSFEROR COMPANY No. 4]:

AUTHORISED CAPITAL:

350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>
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(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION:

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of the these companies as per the above latest Audited Accounts is as under:

JAL [TRANSFEREE COMPANY]:

ASSETS:

Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances:	596,293	
Less Current Liabilities & Provisions	<u>366,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS:

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans –		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

JHL [TRANSFEROR COMPANY No. 1]:

ASSETS:

Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances:	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		20,489

SOURCES OF FUNDS:

Share Capital		5,549
Reserves and Surplus		8,786
Loans –		
Secured	21,51	
Unsecured	<u>20</u>	2,171
Deferred Tax Liability		3,983
TOTAL		20,489

JCL [TRANSFEROR COMPANY No. 2]:

ASSETS:

Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances:	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		37,730

SOURCES OF FUNDS:

Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		<u>25</u>
TOTAL		37,730

JEL [TRANSFEROR COMPANY No. 3]:

ASSETS:

Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances:	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		6,599

SOURCES OF FUNDS:

Share Capital		2,670
Reserves and Surplus		<u>3,929</u>
TOTAL		6,599

GACL [TRANSFEROR COMPANY No. 4]:

ASSETS:

Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances:	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		76,536

SOURCES OF FUNDS:

Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		<u>39,949</u>
TOTAL		76,536

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART – IV – TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/ or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

(ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

"V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."

4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.

4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

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

(i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;

(ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.

(iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.

4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.

PART - V - ISSUE AND ALLOTMENT OF SHARES

5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -

(a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.

(b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.

(c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited

as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.

(d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.

5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.

5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.

5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.

5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.

5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.

5.07 No certificate(s) shall be issued by the Transferee Company in respect of

fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.

- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.

PART - VI - GENERAL TERMS AND CONDITIONS

- 6.01 Until the coming into effect of the Scheme :

- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
- (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.

- 6.02 Accounting Treatment :

Upon the Scheme becoming effective :

- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
- (ii) The inter-company balances, if any, shall stand cancelled.
- (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
- (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.

- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.

- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.

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

- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.

- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.

- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :

- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
- (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
- (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.

- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.

- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.

- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.

- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.

- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
EXPLANATORY STATEMENT
UNDER SECTION 393 OF THE COMPANIES ACT, 1956
ANNEXED TO THE NOTICES CONVENING THE MEETINGS OF SHAREHOLDERS/CREDITORS
PURSUANT TO THE ORDER DATED 09-02-2009 PASSED BY THE HON'BLE ALLAHABAD HIGH COURT

IN
COMPANY APPLICATION No. 03 OF 2009
IN THE MATTER OF AMALGAMATION OF:
JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED
WITH
JAIPRAKASH ASSOCIATES LIMITED

- | | | |
|----|--|--------------------------------|
| 1. | JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL") | Transferee Company |
| 2. | JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL") | Transferor Company No. 1 |
| 3. | JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL") | Transferor Company No. 2 |
| 4. | JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL") | Transferor Company No. 3 |
| 5. | GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL") | Transferor Company No. 4 |

..... APPLICANTS

- The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.
- The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.
- Reg. TRANSFEREE COMPANY :

[JAIPRAKASH ASSOCIATES LIMITED]

(i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

(ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

AUTHORISED CAPITAL:		Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000	
30,00,000 Preference Shares of Rs. 100 each	300,000,000	
TOTAL	10,600,000,000	

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834
However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.

- The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under :

		As on 31-03-2008
		Rs. In Lacs
ASSETS		
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances	596,293	
Less Current Liabilities & Provisions	365,414	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473
SOURCES OF FUNDS :		
Share Capital		23,430
Reserves and Surplus		358,520
Equity Warrants		39,850
Loans -		
Secured	464,030	
Unsecured	366,528	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
500,000,000 Equity shares of Rs. 10 each 5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
355,950,700 Equity Shares of Rs. 10 each
fully paid up 3,559,507,000

However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood increased to Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each.

4. Reg. TRANSFEROR COMPANY No. 1 :
[JAYPEE HOTELS LIMITED]

- (i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
59,000,000 Equity shares of Rs. 10 each 590,000,000
100,000 Preference Shares of Rs. 100 each 10,000,000
TOTAL 600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
55,490,000 Equity Shares of Rs. 10 each
fully paid up 554,900,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.
- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.
- (vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :
Fixed Assets (WDV) 20,154
Capital Work-in-progress 138
Investments 72
Current Assets, Loans & Advances : 16,031
Less Current Liabilities & Provisions 15,906 125
TOTAL 20,489

SOURCES OF FUNDS :
Share Capital 5,549
Reserves and Surplus 8,786
Loans –
Secured 2,151
Unsecured 20 2,171
Deferred Tax Liability 3,983
TOTAL 20,489

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2 :
[JAYPEE CEMENT LIMITED]

- (i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.
- (ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

AUTHORISED CAPITAL :
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

6. Reg. TRANSFEROR COMPANY No. 3 :
[JAIPRAKASH ENTERPRISES LIMITED]

- (i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.

- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.

- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	1,285
Capital Work-in-progress	50
Investments	5,618
Current Assets, Loans & Advances :	7,440
Less Current Liabilities & Provisions	<u>7,723</u>
Deferred Tax Liability	(71)
TOTAL	<u>6,599</u>
SOURCES OF FUNDS :	
Share Capital	2,670
Reserves and Surplus	<u>3,929</u>
TOTAL	<u>6,599</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.

- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.

- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :	
350,000,000 Equity shares of Rs. 10 each	3,500,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :	
333,975,070 Equity Shares of Rs. 10 each fully paid up	3,339,750,700

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.

- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Transferor Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	1,685
Capital Work-in-progress	68,478
Incidental Expenses during construction	6,376
Investments	1,901
Current Assets, Loans & Advances :	5,162
Less Current Liabilities & Provisions	<u>7,245</u>
Misc. Expenditure	179
TOTAL	<u>76,536</u>

SOURCES OF FUNDS :	
Share Capital	33,397
Share Application Money	3,183
Reserves and Surplus	6
Loan Funds (Secured)	<u>39,950</u>
TOTAL	<u>76,536</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below –

[Para numbers are as assigned in the Scheme]

- 2.02 **"Appointed Date"** shall mean '1st of April 2008'.
- 2.05 **"Effective Date"** or **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttrakhand.
- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

or a duly constituted committee of such Board of Directors -

- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
 - (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
 - (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
 - (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL, and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
- (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
- (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansi S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below -

The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.

Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.

Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.

12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under -

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,31	-	-	-
5	Shri A. K. Sahoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. C. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar*	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Tapan	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constrn.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,900
TOTAL		6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	-
11	Shri B. K.Taparia	-	-	-	-	1,900
12	Shri Harish K. Vaid	56,620	1,000	-	-	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam	-	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
TOTAL		4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	1,900
10	Shri Vijai Kumar Jain	6,560	-	-	40,000	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
TOTAL		4,511,145	23,148	-	80,000	5,700

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No. 3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
TOTAL		2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Atok Gaur (Whole-time)	-	-	-	13,000	1,900
TOTAL		4,310,830	26,938	-	13,000	3,800

*since resigned.

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,16,13,213	44.91	118	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-institutions	4,50,621	24,52,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,293	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds [FCCBs] aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.
15. The proposed Scheme will not prejudicially affect the interest of any creditors [including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors] as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.
16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.
17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.
18. No investigation proceedings under Sections 235 to 251 and the like are

pending against the Transferee or the Transferor Companies.

19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M. at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings –
- Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
 - Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
 - Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
 - Memorandum & Articles of Association of all the Applicant Companies
 - Valuation Report submitted by Bansi S. Mehta & Co., Chartered Accountants, Mumbai
 - Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
 - Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
 - Details of important pending legal cases by or against the Applicant Companies
 - No Objection letters received from Stock Exchanges
 - Lists of shareholders of the Applicant Companies
 - List of Creditors of the Applicant Companies
 - Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
 - Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

Information is also available on the website : www.jalindia.com

Sd/-
[R.P. AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD – 211001

Sd/-
[S.D. SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL

Sd/-
[Rajnath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL.

Dated : 14th day of February, 2009

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Shareholder(s)/Creditor(s) of Jaypee Hotes Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ falling him/her, Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Shareholders/ Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Saturday, the 28th March, 2009 at _____ A.M./P.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp

of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

JAYPEE HOTELS LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Shareholders/Creditors of Jaypee Hotels Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida - 201307 (UP), INDIA on Saturday, the 28th March, 2009 at _____ am/ _____ pm.

Full Name _____ Signature _____

(Only Shareholders/Creditors or their Proxies are allowed to attend)

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

NOTICE CONVENING MEETING

To,

CREDITORS OF JAYPEE CEMENT LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Creditors of Jaypee Cement Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SUNDAY, the 29th March, 2009, at 10.30 A.M for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.

Take further notice that in pursuance of the said order, a meeting of the Creditors of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on **SUNDAY, the 29th March, 2009 at 10.30 AM**, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at 5 Park Road, Hazratganj, Lucknow 226 001 (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri Rajiv Gupta, Advocate, and failing him, Shri Manu Yadav, Advocate, to be the Chairman of the said meeting.

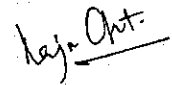
A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P. AGARWAL]
Advocate

Counsel for Applicant Companies



[RAJIV GUPTA]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initialed.
2. The Company will make suitable arrangement for transportation of Creditors to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 10.30 A.M. on 27th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 9.00 A.M. on 29th March, 2009. Those who want to avail the facility must reach the pick up point by 8.45 A.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFEREE COMPANY]

PART - I - INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1981. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttrakhand, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II - DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 "Appointed Date" shall mean '1st of April 2008'.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 "Court" or the "High Court" means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttrakhand.
- 2.06 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 "Scheme" means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modification(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 "Shareholders" with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 "Transferee Company" or "JAL" means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 "Transferor Company No. 1" or "JHL" means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 "Transferor Company No. 2" or "JCL" means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 "Transferor Companies" shall mean and include all the four Transferor Companies namely,
(i) Jaypee Hotels Limited [Transferor Company No. 1]
(ii) Jaypee Cement Limited [Transferor Company No. 2]
(iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
(iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

(Rs. In lakhs)
As at 31-3-2008

3.01 CAPITAL STRUCTURE:

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under –

JAL [Transferee Company]:

AUTHORISED CAPITAL:

	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

117,15,22,417 Equity Shares of Rs. 2 each fully paid up	<u>2,343,044,834</u>
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(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1]:

AUTHORISED CAPITAL:

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>
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JCL [TRANSFEROR COMPANY No. 2]:

AUTHORISED CAPITAL:

500,000,000 Equity shares of Rs. 10 each	<u>5,000,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

355,950,700 Equity Shares of Rs. 10 each fully paid up	<u>3,559,507,000</u>
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(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3]:

AUTHORISED CAPITAL:

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	2,000,000
TOTAL	300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>
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GACL [TRANSFEROR COMPANY No. 4]:

AUTHORISED CAPITAL:

350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>
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(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION:

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of these companies as per the above latest Audited Accounts is as under:

JAL [TRANSFEREE COMPANY]:

ASSETS:

Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances:	596,293	
Less Current Liabilities & Provisions	<u>365,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS:

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans –		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

JHL [TRANSFEROR COMPANY No. 1]:

ASSETS:

Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances:	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		20,489

SOURCES OF FUNDS:

Share Capital		5,549
Reserves and Surplus		8,786
Loans –		
Secured	21,51	
Unsecured	<u>20</u>	2,171
Deferred Tax Liability		3,983
TOTAL		20,489

JCL [TRANSFEROR COMPANY No. 2]:

ASSETS:

Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances:	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		37,730

SOURCES OF FUNDS:

Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		25
TOTAL		37,730

JEL [TRANSFEROR COMPANY No. 3]:

ASSETS:

Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances:	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		6,599

SOURCES OF FUNDS:

Share Capital		2,670
Reserves and Surplus		3,929
TOTAL		6,599

GACL [TRANSFEROR COMPANY No. 4]:

ASSETS:

Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances:	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		76,536

SOURCES OF FUNDS:

Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,949
TOTAL		76,536

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART – IV – TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 253(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date:
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.

PART – V – ISSUE AND ALLOTMENT OF SHARES

- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -
- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
- (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
- (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
- (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of

- fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.

PART - VI – GENERAL TERMS AND CONDITIONS

- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL") Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL") Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL") Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL") Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL") Transferor Company No. 4

..... APPLICANTS

1. The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.
2. The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.
3. Reg. TRANSFEREE COMPANY :

[JAIPRAKASH ASSOCIATES LIMITED]

(i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

(ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

AUTHORISED CAPITAL :	Rs
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834
However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.

- (iv) The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- (v) The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS	
Fixed Assets (WDV)	793,052
Investments	322,483
Deferred Tax Assets	1,149
Current Assets, Loans & Advances :	596,293
Less Current Liabilities & Provisions	<u>365,414</u>
Misc. Expenditure not w/off	10
TOTAL	1,347,473

SOURCES OF FUNDS :

Share Capital	23,430
Reserves and Surplus	396,520
Equity Warrants	39,850
Loans -	
Secured	464,030
Unsecured	<u>366,528</u>
Deferred Tax Liability	57,115
TOTAL	1,347,473

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :

500,000,000 Equity shares of Rs. 10 each 5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

355,950,700 Equity Shares of Rs. 10 each
fully paid up 3,559,507,000

However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood increased to Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each.

4. Reg. TRANSFEROR COMPANY No. 1 :
[JAYPEE HOTELS LIMITED]

(i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.

(ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	<u>600,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>
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There has been no change in the above capital structure of the company after 31-03-2008.

(iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.

(v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.

(vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.

(vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :

Fixed Assets (WDV)	20,154
Capital Work-in-progress	138
Investments	72
Current Assets, Loans & Advances :	16,031
Less Current Liabilities & Provisions	15,906
TOTAL	<u>20,489</u>

SOURCES OF FUNDS :

Share Capital	5,549
Reserves and Surplus	8,786
Loans -	
Secured	2,151
Unsecured	20
Deferred Tax Liability	2,171
TOTAL	<u>3,983</u>
TOTAL	<u>20,489</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2 :
[JAYPEE CEMENT LIMITED]

(i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.

(ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

AUTHORISED CAPITAL :

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	2,000,000
TOTAL	<u>300,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>
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There has been no change in the above capital structure of the company after 31-03-2008.

6. Reg. TRANSFEROR COMPANY No. 3 :
[JAIPRAKASH ENTERPRISES LIMITED]

(i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra-Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.

(ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008	
Rs. In Lacs	
ASSETS :	
Fixed Assets (WDV)	1,285
Capital Work-in-progress	50
Investments	5,618
Current Assets, Loans & Advances :	7,440
Less Current Liabilities & Provisions	<u>7,723</u>
Deferred Tax Liability	(71)
TOTAL	<u>6,599</u>
SOURCES OF FUNDS :	
Share Capital	2,670
Reserves and Surplus	<u>3,929</u>
TOTAL	<u>6,599</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -
- | As on 31-03-2008 | |
|--|----------------------|
| Rs. | |
| AUTHORISED CAPITAL : | |
| 350,000,000 Equity shares of Rs. 10 each | <u>3,500,000,000</u> |
| ISSUED, SUBSCRIBED AND PAID UP CAPITAL : | |
| 333,975,070 Equity Shares of Rs. 10 each fully paid up | <u>3,339,750,700</u> |
- However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.
- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Transferor Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	1,685
Capital Work-in-progress	68,478
Incidental Expenses during construction	6,376
Investments	1,901
Current Assets, Loans & Advances :	5,162
Less Current Liabilities & Provisions	<u>7,245</u>
Misc. Expenditure	(179)
TOTAL	<u>76,536</u>

SOURCES OF FUNDS :	
Share Capital	33,397
Share Application Money	3,183
Reserves and Surplus	6
Loan Funds (Secured)	<u>39,950</u>
TOTAL	<u>76,536</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below -

[Para numbers are as assigned in the Scheme]

- 2.02 "Appointed Date" shall mean "1st of April 2008".
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Ultrakhand.
- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable - freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

or a duly constituted committee of such Board of Directors -

- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
 - (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
 - (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
 - (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01 (a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01 (b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01 (d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81 (1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansi S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below –
- The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.
- Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.
12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under –

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131	-	-	-
5	Shri A. K. Sahoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. C. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar*	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Tapania	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constr.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,900
	TOTAL	6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	1,900
11	Shri B. K.Taparia	-	-	-	-	-
12	Shri Harish K. Vaid	56,620	1,000	-	-	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam	-	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
TOTAL		4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	1,900
10	Shri Vijai Kumar Jain	6,560	-	-	40,000	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
TOTAL		4,511,145	23,148	-	80,000	5,700

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No. 3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
TOTAL		2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Alok Gaur (Whole-time)	-	-	-	13,000	1,900
TOTAL		4,310,830	26,938	-	13,000	3,800

*since resigned.

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,15,13,213	44.91	118	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-institutions	4,50,621	24,53,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,293	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds [FCCBs] aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.
15. The proposed Scheme will not prejudicially affect the interest of any creditors [including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors] as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.
16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.
17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.
18. No investigation proceedings under Sections 235 to 251 and the like are

pending against the Transferee or the Transferor Companies.

19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings –
- Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
 - Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
 - Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
 - Memorandum & Articles of Association of all the Applicant Companies
 - Valuation Report submitted by Bansil S. Mehta & Co., Chartered Accountants, Mumbai
 - Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
 - Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
 - Details of important pending legal cases by or against the Applicant Companies
 - No Objection letters received from Stock Exchanges
 - Lists of shareholders of the Applicant Companies
 - List of Creditors of the Applicant Companies
 - Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
 - Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

Information is also available on the website : www.jalindia.com

Sd/-
[R.P.AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD – 211001

Sd/-
[S.D.SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL

Sd/-
[Rajnath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL.

Dated : 14th day of February, 2009

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Creditor(s) of Jaypee Cement Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ failing him/her, Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Sunday, the 29th March, 2009 at 10.30 A.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp

of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

JAYPEE CEMENT LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Creditors of Jaypee Cement Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Sunday, the 29th March, 2009 at 10.30 a.m.

Full Name _____ Signature _____
(Only Shareholders/Creditors or their Proxies are allowed to attend)

BOOK-POST
UPC

If undelivered please return to:

JAYPEE CEMENT LIMITED

Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
 2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
 3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
 4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
 5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4
- APPLICANTS

NOTICE CONVENING MEETING

To,

EQUITY SHAREHOLDERS OF JAIPRAKASH ENTERPRISES LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Equity Shareholders of Jaiprakash Enterprises Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on FRIDAY, the 27th March, 2009, at 4.30 PM for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.

Take further notice that in pursuance of the said order, a meeting of the Equity Shareholders of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on FRIDAY, the 27th March, 2009 at 4.30 PM, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at Sector 128, Noida 201 304 (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri S.D. Singh, Advocate, and failing him, Shri Diptiman Singh, Advocate, to be the Chairman of the said meeting.

A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P. AGARWAL]
Advocate

Counsel for Applicant Companies



[S.D. SINGH]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initialed.
2. The Company will make suitable arrangement for transportation of Shareholders to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 4.30 P.M. on 25th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 3.00 P.M. on 27th March, 2009. Those who want to avail the facility must reach the pick up point by 2.45 P.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED

[TRANSFEREE COMPANY]

PART - I – INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1981. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Utra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttrakhand, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II – DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 **"Act"** means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 **"Appointed Date"** shall mean 1st of April 2008.
- 2.03 **"Board of Directors"** in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 **"Court"** or the **"High Court"** means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 **"Effective Date"** or **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttrakhand.
- 2.06 **"Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 **"Scheme"** means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modifications(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 **"Shareholders"** with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 **"Transferee Company"** or **"JAL"** means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 **"Transferor Company No. 1"** or **"JHL"** means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 **"Transferor Company No. 2"** or **"JCL"** means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 **"Transferor Company No. 3"** or **"JEL"** means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 **"Transferor Company No. 4"** or **"GACL"** means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 **"Transferor Companies"** shall mean and include all the four Transferor Companies namely,
 (i) Jaypee Hotels Limited [Transferor Company No. 1]
 (ii) Jaypee Cement Limited [Transferor Company No. 2]
 (iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
 (iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
 either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

(Rs. In lakhs)
As at 31-3-2008

3.01 CAPITAL STRUCTURE:

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under –

JAL [Transferee Company]:

AUTHORISED CAPITAL:

	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

117,15,22,417 Equity Shares of Rs. 2 each fully paid up	<u>2,343,044,834</u>
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(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1]:

AUTHORISED CAPITAL:

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>
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JCL [TRANSFEROR COMPANY No. 2]:

AUTHORISED CAPITAL:

500,000,000 Equity shares of Rs. 10 each	<u>5,000,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

355,950,700 Equity Shares of Rs. 10 each fully paid up	<u>3,559,507,000</u>
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(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3]:

AUTHORISED CAPITAL:

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	2,000,000
TOTAL	300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>
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GACL [TRANSFEROR COMPANY No. 4]:

AUTHORISED CAPITAL:

350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>
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(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION:

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of the these companies as per the above latest Audited Accounts is as under:

JAL [TRANSFEREE COMPANY]:

ASSETS:

Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans –		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

JHL [TRANSFEROR COMPANY No. 1]:

ASSETS:

Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		20,489

SOURCES OF FUNDS :

Share Capital		5,549
Reserves and Surplus		8,786
Loans –		
Secured	21,51	
Unsecured	<u>20</u>	2,171
Deferred Tax Liability		3,983
TOTAL		20,489

JCL [TRANSFEROR COMPANY No. 2]:

ASSETS:

Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances :	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		37,730

SOURCES OF FUNDS :

Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		25
TOTAL		37,730

JEL [TRANSFEROR COMPANY No. 3]:

ASSETS:

Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		6,599

SOURCES OF FUNDS :

Share Capital		2,670
Reserves and Surplus		3,929
TOTAL		6,599

GACL [TRANSFEROR COMPANY No. 4]:

ASSETS:

Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		76,536

SOURCES OF FUNDS :

Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,949
TOTAL		76,536

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART – IV – TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner, and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:

"V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."

- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date:
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.

PART - V - ISSUE AND ALLOTMENT OF SHARES

- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -
- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
- (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
- (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited

as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.

- (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01 (a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01 (b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01 (d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of

- fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.

PART - VI -- GENERAL TERMS AND CONDITIONS

- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL") Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL") Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL") Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL") Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL") Transferor Company No. 4

..... APPLICANTS

1. The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.
2. The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.
3. Reg. TRANSFEREE COMPANY :
[JAIPRAKASH ASSOCIATES LIMITED]

(i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

(ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

	Rs.
AUTHORISED CAPITAL :	
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

- 117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834
- However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.
- (iv) The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
 - (v) The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
 - (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS		
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,414</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans -		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
500,000,000 Equity shares of Rs. 10 each 5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
355,950,700 Equity Shares of Rs. 10 each
fully paid up 3,559,507,000

However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs. 10 each and the Paid Up Capital stood increased to Rs. 5,060,507,000 divided into 506,050,700 Equity Shares of Rs. 10 each.

4. Reg. TRANSFEROR COMPANY No. 1 :
[JAYPEE HOTELS LIMITED]

- (i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
59,000,000 Equity shares of Rs. 10 each 590,000,000
100,000 Preference Shares of Rs. 100 each 10,000,000
TOTAL 600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
55,490,000 Equity Shares of Rs. 10 each
fully paid up 554,900,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.
- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.
- (vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :
Fixed Assets (WDV) 20,154
Capital Work-in-progress 138
Investments 72
Current Assets, Loans & Advances : 16,031
Less Current Liabilities & Provisions 15,906 125
TOTAL 20,489

SOURCES OF FUNDS :
Share Capital 5,549
Reserves and Surplus 8,786
Loans –
Secured 2,151
Unsecured 20 2,171
Deferred Tax Liability 3,983
TOTAL 20,489

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2 :
[JAYPEE CEMENT LIMITED]

- (i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.
- (ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares
of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
28,700,000 Equity Shares of Rs. 10 each
fully paid up 287,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The Transferor Company No. 2 is a wholly owned subsidiary of the Transferee Company as the entire paid up share capital of the Transferor Company No. 2 is beneficially held by the Transferee Company.

- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant in the Krishna District of Andhra Pradesh. Besides this, it also holds 95.31% equity shares of Gujarat Anjan Cement Limited, the Transferor Company No.4 herein, which is also setting up a Cement Plant in Distt Bhuj, Gajarat.

- (vi) The Company received Certificate of Commencement of business on 28-07-2005. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.

- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :
Fixed Assets (WDV) 246
Investments 37,390
Current Assets, Loans & Advances : 91
Less Current Liabilities & Provisions 197 (106)
Misc. Expenditure 200
TOTAL 37,730

SOURCES OF FUNDS :
Share Capital 35,595
Share Application Money 2,110
Reserves and Surplus 25
TOTAL 37,730

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the authorized and paid up capital of the company as already highlighted earlier.

6. Reg. TRANSFEROR COMPANY No. 3 :
[JAIPRAKASH ENTERPRISES LIMITED]

- (i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to 'Jaypee Chemicals Limited' with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.

- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.

- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares
of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :
28,700,000 Equity Shares of Rs. 10 each
fully paid up 287,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	1,285
Capital Work-in-progress	50
Investments	5,618
Current Assets, Loans & Advances :	7,440
Less Current Liabilities & Provisions	<u>7,723</u>
Deferred Tax Liability	<u>(71)</u>
TOTAL	6,599
SOURCES OF FUNDS :	
Share Capital	2,670
Reserves and Surplus	<u>3,929</u>
TOTAL	6,599

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :	
350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :	
333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.

- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Transferor Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	1,685
Capital Work-in-progress	68,478
Incidental Expenses during construction	6,376
Investments	1,901
Current Assets, Loans & Advances :	5,162
Less Current Liabilities & Provisions	<u>7,245</u>
Misc. Expenditure	<u>179</u>
TOTAL	76,536

SOURCES OF FUNDS :	
Share Capital	33,397
Share Application Money	3,183
Reserves and Surplus	6
Loan Funds (Secured)	<u>39,950</u>
TOTAL	76,536

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below –

[Para numbers are as assigned in the Scheme]

- 2.02 "Appointed Date" shall mean "1st of April 2008".
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Ultrakhand.
- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising or or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revis its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

or a duly constituted committee of such Board of Directors -

- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
 - (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
 - (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
 - (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansi S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below –

The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.

Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.

Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.

12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under –

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEREE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131	-	-	-
5	Shri A. K. Sahoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. G. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar*	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Tapania	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constrn.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,900
	TOTAL	6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	1,900
11	Shri B. K.Taparia	-	-	-	-	-
12	Shri Harish K. Vaid	56,620	1,000	-	-	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam	-	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
TOTAL		4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	1,900
10	Shri Vijai Kumar Jain	6,560	-	-	40,000	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
TOTAL		4,511,145	23,148	-	80,000	5,700

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No.3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
TOTAL		2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Alok Gaur (Whole-time)	-	-	-	13,000	1,900
TOTAL		4,310,830	26,938	-	13,000	3,800

*since resigned.

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,16,13,213	44.91	118	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-Institutions	4,50,621	24,53,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,293	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds [FCCBs] aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.
15. The proposed Scheme will not prejudicially affect the interest of any creditors [including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors] as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.
16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.
17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange ; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.
18. No investigation proceedings under Sections 235 to 251 and the like are pending against the Transferee or the Transferor Companies.
19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M. at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings --
- Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
 - Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
 - Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
 - Memorandum & Articles of Association of all the Applicant Companies
 - Valuation Report submitted by Bansil S. Mehta & Co., Chartered Accountants, Mumbai
 - Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
 - Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
 - Details of important pending legal cases by or against the Applicant Companies
 - No Objection letters received from Stock Exchanges
 - Lists of shareholders of the Applicant Companies
 - List of Creditors of the Applicant Companies
 - Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
 - Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

Information is also available on the website : www.jalindia.com

Sd/-
[R.P. AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD - 211001

Sd/-
[S.D.SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL

Sd/-
[Rajnath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL.

Dated : 14th day of February, 2009

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Shareholder(s)/Creditor(s) of Jaiprakash Enterprises Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ failing him/her, Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Shareholders/Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on _____, the _____ March, 2009 at _____ A.M./P.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp
of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

JAIPRAKASH ENTERPRISES LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Shareholders/Creditors of Jaiprakash Enterprises Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307, (UP), INDIA on _____, the _____ March, 2009 at _____ am/_____ pm.

Full Name _____ Signature _____

(Only Shareholders/Creditors or their Proxies are allowed to attend)

BOOK-POST
UPC

If undelivered please return to:

JAIPRAKASH ENTERPRISES LIMITED

Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
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IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4
..... APPLICANTS

NOTICE CONVENING MEETING

To,

CREDITORS OF JAIPRAKASH ENTERPRISES LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Creditors of Jaiprakash Enterprises Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SATURDAY, the 28th March, 2009, at 4.30 P.M for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.

Take further notice that in pursuance of the said order, a meeting of the Creditors of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SATURDAY, the 28th March, 2009 at 4.30 PM, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at Sector 128, Noida 201 304 (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri Rajnath N Shukla, Advocate, and failing him, Shri Arun Kumar Pundir, Advocate, to be the Chairman of the said meeting.

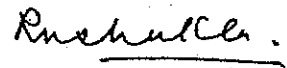
A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P. AGARWAL]
Advocate

Counsel for Applicant Companies



[RAJNATH N SHUKLA]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initialed.
2. The Company will make suitable arrangement for transportation of Creditors to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 4.30 P.M. on 26th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 3.00 P.M. on 28th March, 2009. Those who want to avail the facility must reach the pick up point by 2.45 P.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFEREE COMPANY]

PART - I - INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1981. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttarakhnad, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II - DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 "Appointed Date" shall mean 1st of April 2008.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 "Court" or the "High Court" means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttarakhnad.
- 2.06 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 "Scheme" means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modifications(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 "Shareholders" with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 "Transferee Company" or "JAL" means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 "Transferor Company No. 1" or "JHL" means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 "Transferor Company No. 2" or "JCL" means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 "Transferor Companies" shall mean and include all the four Transferor Companies namely,
(i) Jaypee Hotels Limited [Transferor Company No. 1]
(ii) Jaypee Cement Limited [Transferor Company No. 2]
(iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
(iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

(Rs. In lakhs)
As at 31-3-2008

3.01 CAPITAL STRUCTURE:

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under –

JAL [Transferee Company]:

AUTHORISED CAPITAL:

	Rs.	
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000	
30,00,000 Preference Shares of Rs. 100 each	300,000,000	
TOTAL	10,600,000,000	

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

117,15,22,417 Equity Shares of Rs. 2 each fully paid up	2,343,044,834
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(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1]:

AUTHORISED CAPITAL:

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

55,490,000 Equity Shares of Rs. 10 each fully paid up	554,900,000
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JCL [TRANSFEROR COMPANY No. 2]:

AUTHORISED CAPITAL:

500,000,000 Equity shares of Rs. 10 each	5,000,000,000
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

355,950,700 Equity Shares of Rs. 10 each fully paid up	3,559,507,000
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(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3]:

AUTHORISED CAPITAL:

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	2,000,000
TOTAL	300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

26,700,000 Equity Shares of Rs. 10 each fully paid up	267,000,000
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GACL [TRANSFEROR COMPANY No. 4]:

AUTHORISED CAPITAL:

350,000,000 Equity shares of Rs. 10 each	3,500,000,000
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

333,975,070 Equity Shares of Rs. 10 each fully paid up	3,339,750,700
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(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION:

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of these companies as per the above latest Audited Accounts is as under:

JAL [TRANSFEREE COMPANY]:

ASSETS:

Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans –		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

JHL [TRANSFEROR COMPANY No. 1]:

ASSETS:

Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		20,489

SOURCES OF FUNDS :

Share Capital		5,549
Reserves and Surplus		8,786
Loans –		
Secured	21,51	
Unsecured	<u>20</u>	2,171
Deferred Tax Liability		3,983
TOTAL		20,489

JCL [TRANSFEROR COMPANY No. 2]:

ASSETS:

Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances :	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		37,730

SOURCES OF FUNDS :

Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		25
TOTAL		37,730

JEL [TRANSFEROR COMPANY No. 3]:

ASSETS:

Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		6,599

SOURCES OF FUNDS :

Share Capital		2,670
Reserves and Surplus		3,929
TOTAL		6,599

GACL [TRANSFEROR COMPANY No. 4]:

ASSETS:

Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		76,536

SOURCES OF FUNDS :

Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,949
TOTAL		76,536

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART - IV - TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable - freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/ or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/ or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(c) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date:
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.

PART - V - ISSUE AND ALLOTMENT OF SHARES

- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -
- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
- (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
- (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
- (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01 (a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01 (b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01 (d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of

- fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

PART - VI - GENERAL TERMS AND CONDITIONS

6.01 Until the coming into effect of the Scheme :

- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
- (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.

6.02 Accounting Treatment :

Upon the Scheme becoming effective :

- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
- (ii) The inter-company balances, if any, shall stand cancelled.
- (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
- (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.

ANNEXED TO THE NOTICES CONVENING THE MEETINGS OF SHAREHOLDERS/CREDITORS
PURSUANT TO THE ORDER DATED 09-02-2009 PASSED BY THE HON'BLE ALLAHABAD HIGH COURT

IN

COMPANY APPLICATION No. 03 OF 2009

IN THE MATTER OF AMALGAMATION OF:

JAYPEE HOTELS LIMITED

JAYPEE CEMENT LIMITED

JAIPRAKASH ENTERPRISES LIMITED

GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL") Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL") Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratgarj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL") Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL") Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL") Transferor Company No. 4

..... APPLICANTS

1. The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.
2. The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.
3. Reg. TRANSFEE COMPANY:

[JAIPRAKASH ASSOCIATES LIMITED]

(i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

(ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

	Rs.
AUTHORISED CAPITAL:	
5,15,00,00,000 Equity Shares of Rs. 2 each	10,30,00,00,000
30,00,00,000 Preference Shares of Rs. 100 each	300,00,00,000
TOTAL	10,60,00,00,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.

- (iv) The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- (v) The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under:

As on 31-03-2008
Rs. In Lacs

ASSETS		
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	365,414	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans -		
Secured	464,030	
Unsecured	366,528	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
500,000,000 Equity shares of Rs. 10 each 5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
355,950,700 Equity Shares of Rs. 10 each
fully paid up 3,559,507,000

However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood increased to Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each.

- (iv) The Transferor Company No. 2 is a wholly owned subsidiary of the Transferee Company as the entire paid up share capital of the Transferor Company No. 2 is beneficially held by the Transferee Company.
- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant in the Krishna District of Andhra Pradesh. Besides this, it also holds 95.31% equity shares of Gujarat Anjan Cement Limited, the Transferor Company No.4 herein, which is also setting up a Cement Plant in Dist Bhuj, Gujarat.
- (vi) The Company received Certificate of Commencement of business on 28-07-2005. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS:

Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances :	91	
Less Current Liabilities & Provisions	197	(106)
Misc. Expenditure		200
TOTAL		<u>37,730</u>

SOURCES OF FUNDS :

Share Capital	35,595
Share Application Money	2,110
Reserves and Surplus	25
TOTAL	<u>37,730</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the authorized and paid up capital of the company as already highlighted earlier.

6. Reg. TRANSFEROR COMPANY No. 3:
[JAIPRAKASH ENTERPRISES LIMITED]

- (i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.

- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.

- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

4. Reg. TRANSFEROR COMPANY No. 1:
[JAYPEE HOTELS LIMITED]

- (i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.

- (ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
59,000,000 Equity shares of Rs. 10 each 590,000,000
100,000 Preference Shares of Rs. 100 each 10,000,000
TOTAL 600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
55,490,000 Equity Shares of Rs. 10 each
fully paid up 554,900,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.

- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.

- (vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.

- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS:

Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	15,906	125
TOTAL		<u>20,489</u>

SOURCES OF FUNDS :

Share Capital	5,549
Reserves and Surplus	8,786
Loans -	
Secured	2,151
Unsecured	20
Deferred Tax Liability	
TOTAL	<u>20,489</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2:
[JAYPEE CEMENT LIMITED]

- (i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.

- (ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001

- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

		As on 31-03-2008	Rs. In Lacs
ASSETS :			
Fixed Assets (WDV)		1,285	
Capital Work-in-progress		50	
Investments		5,618	
Current Assets, Loans & Advances :	7,440		
Less Current Liabilities & Provisions	<u>7,723</u>	(283)	
Deferred Tax Liability		(71)	
TOTAL		<u>6,599</u>	
SOURCES OF FUNDS :			
Share Capital		2,670	
Reserves and Surplus		<u>3,929</u>	
TOTAL		<u>6,599</u>	

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

		As on 31-03-2008	Rs.
AUTHORISED CAPITAL :			
350,000,000 Equity shares of Rs. 10 each		<u>3,500,000,000</u>	
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :			
333,975,070 Equity Shares of Rs. 10 each fully paid up		<u>3,339,750,700</u>	

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.

- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Transferor Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

		As on 31-03-2008	Rs. In Lacs
ASSETS :			
Fixed Assets (WDV)		1,685	
Capital Work-in-progress		68,478	
Incidental Expenses during construction		6,376	
Investments		1,901	
Current Assets, Loans & Advances :	5,162		
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)	
Misc. Expenditure		179	
TOTAL		<u>76,536</u>	

SOURCES OF FUNDS :

Share Capital		33,397
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		<u>39,950</u>
TOTAL		<u>76,536</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below –

[Para numbers are as assigned in the Scheme]

- 2.02 "Appointed Date" shall mean '1st of April 2008'.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttarkhanda.
- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon); by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim: refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

or a duly constituted committee of such Board of Directors -

- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
 - (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
 - (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
 - (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL, and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansil S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below -
- The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.
- Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.
12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under -

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131	-	-	-
5	Shri A. K. Sahoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. C. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar*	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Tapatia	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constr.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,900
	TOTAL	6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	-
11	Shri B. K.Taparia	-	-	-	-	1,900
12	Shri Harish K. Vaid	-	-	-	-	-
13	Ms.Sunita Joshi	56,620	1,000	-	-	1,900
14	Shri K Subramaniam	1,686,000	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
TOTAL		4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	-
10	Shri Vijai Kumar Jain	6,560	-	-	-	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
TOTAL		4,511,145	23,148	-	40,000	1,900

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No. 3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
TOTAL		2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Alok Gaur (Whole-time)	-	-	-	13,000	1,900
TOTAL		4,310,830	26,938	-	13,000	3,800

*since resigned.

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,16,13,213	44.91	118	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-institutions	4,50,621	24,53,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,293	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds (FCCBs) aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.
15. The proposed Scheme will not prejudicially affect the interest of any creditors (including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors) as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.
16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.
17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.
18. No investigation proceedings under Sections 235 to 251 and the like are

pending against the Transferee or the Transferor Companies.

19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings –
- Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
 - Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
 - Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
 - Memorandum & Articles of Association of all the Applicant Companies
 - Valuation Report submitted by Bansil S. Mehta & Co., Chartered Accountants, Mumbai
 - Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
 - Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
 - Details of important pending legal cases by or against the Applicant Companies
 - No Objection letters received from Stock Exchanges
 - Lists of shareholders of the Applicant Companies
 - List of Creditors of the Applicant Companies
 - Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
 - Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

Information is also available on the website : www.jalindia.com

Sd/-
[R.P. AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD – 211001

Sd/-
[S.D.SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL

Sd/-
[Rajnath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL.

Dated : 14th day of February, 2009

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Shareholder(s)/Creditor(s) of Jaiprakash Enterprises Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ failing him/her, Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Shareholders/ Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on _____, the _____ March, 2009 at _____ A.M./P.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp
of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

JAIPRAKASH ENTERPRISES LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Shareholders/Creditors of Jaiprakash Enterprises Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307, (UP), INDIA on _____, the _____ March, 2009 at _____ am/_____ pm.

Full Name _____ Signature _____

(Only Shareholders/Creditors or their Proxies are allowed to attend)

BOOK-POST
UPC

If undelivered please return to:

JAIPRAKASH ENTERPRISES LIMITED
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

NOTICE CONVENING MEETING

To,

EQUITY SHAREHOLDERS OF GUJARAT ANJAN CEMENT LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Equity Shareholders of Gujarat Anjan Cement Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SUNDAY, the 29th March, 2009, at 2.30 PM for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.

Take further notice that in pursuance of the said order, a meeting of the Equity Shareholders of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SUNDAY, the 29th March, 2009 at 2.30 PM, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at Sector 128, Noida 201 304 (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri Rajiv Gupta, Advocate, and failing him, Shri Manu Yadav, Advocate, to be the Chairman of the said meeting.

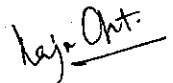
A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P. AGARWAL]
Advocate

Counsel for Applicant Companies



[RAJIV GUPTA]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initialed.
2. The Company will make suitable arrangement for transportation of Shareholders to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 2.30 P.M. on 27th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 1.00 P.M. on 29th March, 2009. Those who want to avail the facility must reach the pick up point by 12.45 P.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFEREE COMPANY]

PART - I - INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1981. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttrakhand, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II - DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 "Appointed Date" shall mean 1st of April 2008.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 "Court" or the "High Court" means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttrakhand.
- 2.06 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 "Scheme" means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modifications(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 "Shareholders" with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 "Transferee Company" or "JAL" means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 "Transferor Company No. 1" or "JHL" means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 "Transferor Company No. 2" or "JCL" means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 "Transferor Companies" shall mean and include all the four Transferor Companies namely,
(i) Jaypee Hotels Limited [Transferor Company No. 1]
(ii) Jaypee Cement Limited [Transferor Company No. 2]
(iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
(iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

3.01 CAPITAL STRUCTURE:

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under –

JAL [Transferee Company]:

AUTHORISED CAPITAL:	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	<u>10,600,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
117,15,22,417 Equity Shares of Rs. 2 each fully paid up	2,343,044,834

(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1]:

AUTHORISED CAPITAL:	
59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	<u>600,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
55,490,000 Equity Shares of Rs. 10 each fully paid up	554,900,000

JCL [TRANSFEROR COMPANY No. 2]:

AUTHORISED CAPITAL:	
500,000,000 Equity shares of Rs. 10 each	5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
355,950,700 Equity Shares of Rs. 10 each fully paid up	3,559,507,000

(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3]:

AUTHORISED CAPITAL:	
29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	2,000,000
TOTAL	<u>300,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
26,700,000 Equity Shares of Rs. 10 each fully paid up	267,000,000

GACL [TRANSFEROR COMPANY No. 4]:

AUTHORISED CAPITAL:	
350,000,000 Equity shares of Rs. 10 each	3,500,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	
333,975,070 Equity Shares of Rs. 10 each fully paid up	3,339,750,700

(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION:

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of the these companies as per the above latest Audited Accounts is as under:

JAL [TRANSFEREE COMPANY]:

ASSETS:		
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		<u>1,347,473</u>

SOURCES OF FUNDS :		
Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans --		
Secured	464,030	
Unsecured	<u>366,528</u>	830,558
Deferred Tax Liability		57,115
TOTAL		<u>1,347,473</u>

JHL [TRANSFEROR COMPANY No. 1]:

ASSETS :		
Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		<u>20,489</u>

SOURCES OF FUNDS :		
Share Capital		5,549
Reserves and Surplus		8,786
Loans --		
Secured	21,51	
Unsecured	<u>20</u>	2,171
Deferred Tax Liability		3,983
TOTAL		<u>20,489</u>

JCL [TRANSFEROR COMPANY No. 2]:

ASSETS :		
Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances :	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		<u>37,730</u>

SOURCES OF FUNDS :		
Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		25
TOTAL		<u>37,730</u>

JEL [TRANSFEROR COMPANY No. 3]:

ASSETS :		
Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		<u>6,599</u>

SOURCES OF FUNDS :		
Share Capital		2,670
Reserves and Surplus		3,929
TOTAL		<u>6,599</u>

GACL [TRANSFEROR COMPANY No. 4]:

ASSETS :		
Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		<u>76,536</u>

SOURCES OF FUNDS :		
Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,949
TOTAL		<u>76,536</u>

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART - IV - TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable - freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date:
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.

PART – V – ISSUE AND ALLOTMENT OF SHARES

- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -
- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
- (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
- (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
- (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of

- fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.

PART - VI - GENERAL TERMS AND CONDITIONS

- 6.01 Until the coming into effect of the Scheme :
- The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - 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 the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - The inter-company balances, if any, shall stand cancelled.
 - The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL") Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL") Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL") Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL") Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL") Transferor Company No. 4

..... APPLICANTS

1. The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.
2. The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.
3. Reg. TRANSFEREE COMPANY:

[JAIPRAKASH ASSOCIATES LIMITED]

(i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

(ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

AUTHORISED CAPITAL:	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.

- (iv) The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- (v) The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under:

As on 31-03-2008
Rs. In Lacs

ASSETS	
Fixed Assets (WDV)	793,052
Investments	322,483
Deferred Tax Assets	1,149
Current Assets, Loans & Advances :	596,293
Less Current Liabilities & Provisions	365,414
Misc. Expenditure not w/off	10
TOTAL	1,347,473

SOURCES OF FUNDS :

Share Capital	23,430
Reserves and Surplus	396,520
Equity Warrants	39,850
Loans -	
Secured	464,030
Unsecured	366,528
Deferred Tax Liability	57,115
TOTAL	1,347,473

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
500,000,000 Equity shares of Rs. 10 each 5,000,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
355,950,700 Equity Shares of Rs. 10 each
fully paid up 3,559,507,000

However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood increased to Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each.

4. Reg. TRANSFEROR COMPANY No. 1:
[JAYPEE HOTELS LIMITED]

(i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.

(ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
59,000,000 Equity shares of Rs. 10 each 590,000,000
100,000 Preference Shares of Rs. 100 each 10,000,000
TOTAL 600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
55,490,000 Equity Shares of Rs. 10 each
fully paid up 554,900,000

There has been no change in the above capital structure of the company after 31-03-2008.

(iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.

(v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.

(vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.

(vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under:

As on 31-03-2008
Rs. In Lacs

ASSETS:
Fixed Assets (WDV) 20,154
Capital Work-in-progress 138
Investments 72
Current Assets, Loans & Advances : 16,031
Less Current Liabilities & Provisions 15,906 125
TOTAL 20,489

SOURCES OF FUNDS :
Share Capital 5,549
Reserves and Surplus 8,786
Loans -
Secured 2,151
Unsecured 20 2,171
Deferred Tax Liability 3,983
TOTAL 20,489

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2:
[JAYPEE CEMENT LIMITED]

(i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.

(ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares
of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

6. Reg. TRANSFEROR COMPANY No. 3:
[JAIPRAKASH ENTERPRISES LIMITED]

(i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.

(ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.

(iii) The Authorized and issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008
Rs.

AUTHORISED CAPITAL:
29,800,000 Equity shares of Rs. 10 each 298,000,000
20,000 9% Cumulative Preference Shares
of Rs. 100 each 2,000,000
TOTAL 300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:
26,700,000 Equity Shares of Rs. 10 each
fully paid up 267,000,000

There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

		As on 31-03-2008	
		Rs. In Lacs	
ASSETS :			
Fixed Assets (WDV)		1,285	
Capital Work-in-progress		50	
Investments		5,618	
Current Assets, Loans & Advances :	7,440		
Less Current Liabilities & Provisions	7,723	(283)	
Deferred Tax Liability		(71)	
TOTAL		6,599	
SOURCES OF FUNDS :			
Share Capital		2,670	
Reserves and Surplus		3,929	
TOTAL		6,599	

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to 'Gujarat Anjan Cement Limited' with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.

- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.

- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

		As on 31-03-2008	
		Rs.	
AUTHORISED CAPITAL :			
350,000,000 Equity shares of Rs. 10 each		3,500,000,000	
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :			
333,975,070 Equity Shares of Rs. 10 each fully paid up		3,339,750,700	

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.

- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Transferor Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :		
Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	7,245	(2,083)
Misc. Expenditure		179
TOTAL		76,536

SOURCES OF FUNDS :		
Share Capital		33,397
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,950
TOTAL		76,536

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below -

[Para numbers are as assigned in the Scheme]

- 2.02 "Appointed Date" shall mean '1st of April 2008'.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttrakhand.
- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable - freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

- or a duly constituted committee of such Board of Directors -
- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
 - (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
 - (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
 - (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(g) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansi S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below -
- The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.
- Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.
12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under -

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEREE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131	-	-	-
5	Shri A. K. Saḥoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. C. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar*	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Tapania	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constrn.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,900
	TOTAL	6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	-
11	Shri B. K.Taparia	-	-	-	-	1,900
12	Shri Harish K. Vaid	56,620	1,000	-	-	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam	-	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
TOTAL		4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	1,900
10	Shri Vijai Kumar Jain	6,560	-	-	40,000	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
TOTAL		4,511,145	23,148	-	80,000	5,700

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No. 3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
TOTAL		2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Alok Gaur (Whole-time)	-	-	-	13,000	1,900
TOTAL		4,310,830	26,938	-	13,000	3,800

*since resigned

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,16,13,213	44.91	116	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-institutions	4,50,621	24,53,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,293	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds [FCCBs] aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.

15. The proposed Scheme will not prejudicially affect the interest of any creditors [including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors] as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.

16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.

17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange ; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.

18. No investigation proceedings under Sections 235 to 251 and the like are

pending against the Transferee or the Transferor Companies.

19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings –

- (i) Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
- (ii) Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
- (iii) Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
- (iv) Memorandum & Articles of Association of all the Applicant Companies
- (v) Valuation Report submitted by Bansi S. Mehta & Co., Chartered Accountants, Mumbai
- (vi) Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
- (vii) Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
- (viii) Details of important pending legal cases by or against the Applicant Companies
- (ix) No Objection letters received from Stock Exchanges
- (x) Lists of shareholders of the Applicant Companies
- (xi) List of Creditors of the Applicant Companies
- (xii) Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
- (xiii) Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

Information is also available on the website : www.jalindia.com

Sd/-
[R.P.AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD – 211001

Sd/-
[S.D.SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL.

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL.

Sd/-
[Raj Nath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL.

Dated : 14th day of February, 2009

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).. ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Shareholder(s)/Creditor(s) of Gujarat Anjan Cement Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ failing him/her, Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Shareholders/ Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Sunday, the 29th March, 2009 at _____ A.M./P.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp

of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

GUJARAT ANJAN CEMENT LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Shareholders/Creditors of Gujarat Anjan Cement Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Sunday, the 29th March, 2009 at _____ am/ _____ pm.

Full Name _____ Signature _____

(Only Shareholders/Creditors or their Proxies are allowed to attend)

BOOK-POST
UPC

If undelivered please return to:

GUJARAT ANJAN CEMENT LIMITED
Sector-128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
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IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
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having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
 3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
 4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
 5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4
- APPLICANTS

NOTICE CONVENING MEETING

To,

CREDITORS OF GUJARAT ANJAN CEMENT LIMITED

Take notice that by an order made on 09-02-2009, the Court has directed that a meeting of the Creditors of Gujarat Anjan Cement Limited be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SUNDAY, the 29th March, 2009, at 4.30 P.M for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme.

Take further notice that in pursuance of the said order, a meeting of the Creditors of the Company will be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, NOIDA- 201307 (UP), INDIA on SUNDAY, the 29th March, 2009 at 4.30 PM, when you are requested to attend.

Take further notice that you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you, is deposited at the Registered Office of the Company at Sector 128, Noida 201 304 (U.P.), INDIA not later than 48 hours before the meeting.

This Court has appointed Shri Rajiv Gupta, Advocate, and failing him, Shri Manu Yadav, Advocate, to be the Chairman of the said meeting.

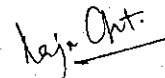
A copy each of the Scheme of Amalgamation, the Statement under Section 393 and a form of proxy is enclosed.

Dated this 14th day of February, 2009.



[R.P.AGARWAL]
Advocate

Counsel for Applicant Companies



[RAJIV GUPTA]
Advocate

Chairman appointed for the Meeting

Notes:

1. All alterations made in the form of the proxy should be initialed.
2. The Company will make suitable arrangement for transportation of Creditors to enable them to attend the meeting. Requests for the same should be communicated at the Registered Office of the Company by 4.30 P.M. on 27th March, 2009. The bus will start for the venue of the meeting from Hotel Jaypee Vasant Continental, Vasant Vihar, New Delhi 110 057, India at 3.00 P.M. on 29th March, 2009. Those who want to avail the facility must reach the pick up point by 2.45 P.M.
3. The details of merger are also available at website : www.jalindia.com

SCHEME OF AMALGAMATION

OF

JAYPEE HOTELS LIMITED [Transferor Company No. 1]

JAYPEE CEMENT LIMITED [Transferor Company No. 2]

JAIPRAKASH ENTERPRISES LIMITED [Transferor Company No. 3]

GUJARAT ANJAN CEMENT LIMITED [Transferor Company No. 4]

WITH

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFEREE COMPANY]

PART - I - INTRODUCTION

- 1.01 Jaiprakash Associates Limited, Transferee Company, was incorporated as public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Beia Cement Limited'. The Company received Certificate of Commencement of Business on 29-1-1996. Its name was changed to 'Jaypee Rewa Cement Limited' with effect from 30-8-2000. The name was again changed to 'Jaypee Cement Limited' with effect from 3-1-2002 and then to its present name 'Jaiprakash Associates Limited' with effect from 11-3-2004. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- 1.02 Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The Company received Certificate of Commencement of Business on 23-02-1987. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, UP and Uttaranchal on 23-02-999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction. The Transferee Company holds 72.18% of the equity share capital of the Company and hence it is a subsidiary of the Transferee Company.
- 1.03 Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. It received Certificate of Commencement of Business on 28-07-2005. It is presently engaged in the business of setting up of Cement Plant in the Krishna District of Andhra Pradesh. The entire share capital of the Company is beneficially held by the Transferee Company and hence it is a wholly owned subsidiary of the Transferee Company.
- 1.04 Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. It received Certificate of Commencement of Business on 01-06-1978. The name of Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Delhi & Haryana. The registered office of the Company was shifted from Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, U.P., Kanpur. It is presently engaged in the business of Civil Engineering Construction, limestone mines and Real Estate.
- 1.05 Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. It received Certificate of Commencement of Business on 14-07-1992. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996 and a fresh Certificate of Incorporation showing the changed name was issued by the Registrar of Companies, Gujarat. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, U.P. and Uttrakhand, on 19-12-2008. It is presently engaged in the business of setting up of Cement Plant at Bhuj (Gujarat). The Transferor Company No. 2 i.e. Jaypee Cement Limited, holds 95.31% of the equity share capital of the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Jaypee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- 1.06 Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies and the Transferee Company, the said Companies now propose by way of this Scheme to merge/amalgamate the Transferor Companies into and with

the Transferee Company in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real estate activities. The Transferor Company No. 1 is engaged in engineering, hospitality and real estate business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up Cement Plants. The Transferor Company No. 3 is engaged in engineering and real estate business. Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improving profitability and stronger balance sheet of the merged company, etc.

PART - II - DEFINITIONS

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned expressions shall have the following meaning:
- 2.01 "Act" means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 2.02 "Appointed Date" shall mean '1st of April 2008'.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 2.04 "Court" or the "High Court" means the Hon'ble High Court of Judicature at Allahabad.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttrakhand.
- 2.06 "Record Date" means the date to be fixed by the Board of Directors of the Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the Transferee Company in terms of this Scheme shall be determined.
- 2.07 "Scheme" means this Scheme in its present form as submitted to the Court or this Scheme with such modification(s), if any, as may be made by the shareholders and the creditors of the Transferor and the Transferee Companies in their meetings to be held as per the directions of the Court or such modifications(s) as may be imposed by any competent authority and accepted by the respective Board of Directors of the Transferor and Transferee Companies and/or directed to be made by the Court while sanctioning the Scheme.
- 2.08 "Shareholders" with reference to the Transferor or Transferee Companies means persons holding equity shares in the said Companies in physical form or in electronic form and whose names are entered and registered as members in the Register of Members of the said Companies or whose names appear as the beneficial owners of the equity shares in the records of the Depositories as on the Record Date.
- 2.09 "Transferee Company" or "JAL" means JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.10 "Transferor Company No. 1" or "JHL" means JAYPEE HOTELS LIMITED, having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 2.11 "Transferor Company No. 2" or "JCL" means JAYPEE CEMENT LIMITED, having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.
- 2.12 "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.13 "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- 2.14 "Transferor Companies" shall mean and include all the four Transferor Companies namely,
(i) Jaypee Hotels Limited [Transferor Company No. 1]
(ii) Jaypee Cement Limited [Transferor Company No. 2]
(iii) Jaiprakash Enterprises Limited [Transferor Company No. 3]
(iv) Gujarat Anjan Cement Limited [Transferor Company No. 4]
either collectively or any of them as the context may require.

PART - III - CAPITAL STRUCTURE AND FINANCIAL POSITION

3.01 CAPITAL STRUCTURE:

The authorized, issued, subscribed and paid up capital of the Transferee Company and the Transferor Companies as per their respective last available Balance Sheets as at 31st March, 2008 are as under --

JAL [Transferee Company] :

AUTHORISED CAPITAL :

	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

117,15,22,417 Equity Shares of Rs. 2 each fully paid up	<u>2,343,044,834</u>
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(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of FCCBs/Warrants).

JHL [TRANSFEROR COMPANY No. 1] :

AUTHORISED CAPITAL :

59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	10,000,000
TOTAL	600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>
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JCL [TRANSFEROR COMPANY No. 2] :

AUTHORISED CAPITAL :

500,000,000 Equity shares of Rs. 10 each	<u>5,000,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

355,950,700 Equity Shares of Rs. 10 each fully paid up	<u>3,559,507,000</u>
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(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).

JEL [TRANSFEROR COMPANY No. 3] :

AUTHORISED CAPITAL :

29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 9% Cumulative Preference Shares of Rs. 100 each	2,000,000
TOTAL	300,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>
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GACL [TRANSFEROR COMPANY No. 4] :

AUTHORISED CAPITAL :

350,000,000 Equity shares of Rs. 10 each	<u>3,500,000,000</u>
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ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

333,975,070 Equity Shares of Rs. 10 each fully paid up	<u>3,339,750,700</u>
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(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).

3.02 The equity shares of JAL are listed on National Stock Exchange and the Bombay Stock Exchange. The equity shares of JHL are listed on National Stock Exchange. The shares of JEL are listed on Delhi and Uttar Pradesh Stock Exchanges. The shares of JCL and GACL are not listed on any stock exchange.

3.03 FINANCIAL POSITION :

The audited accounts of the Transferee Company and the Transferor Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position of these companies as per the above latest Audited Accounts is as under:

(Rs. In lakhs)
As at 31-3-2008

JAL [TRANSFEREE COMPANY] :

ASSETS :

Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	<u>365,514</u>	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473

SOURCES OF FUNDS :

Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans -		
Secured		
Unsecured	464,030	
Deferred Tax Liability	<u>366,528</u>	830,558
		57,115
TOTAL		1,347,473

JHL [TRANSFEROR COMPANY No. 1] :

ASSETS :

Fixed Assets (WDV)		20,154
Capital Work-in-progress		138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	<u>15,906</u>	125
TOTAL		20,489

SOURCES OF FUNDS :

Share Capital		5,549
Reserves and Surplus		8,786
Loans -		
Secured		
Unsecured	21,51	
Deferred Tax Liability	<u>20</u>	2,171
		3,983
TOTAL		20,489

JCL [TRANSFEROR COMPANY No. 2] :

ASSETS :

Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances :	91	
Less Current Liabilities & Provisions	<u>197</u>	(106)
Misc. Expenditure		200
TOTAL		37,730

SOURCES OF FUNDS :

Share Capital		35,595
Share Application Money		2,110
Reserves and Surplus		25
TOTAL		37,730

JEL [TRANSFEROR COMPANY No. 3] :

ASSETS :

Fixed Assets (WDV)		1,285
Capital Work-in-progress		50
Investments		5,618
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		6,599

SOURCES OF FUNDS :

Share Capital		2,670
Reserves and Surplus		3,929
TOTAL		6,599

GACL [TRANSFEROR COMPANY No. 4] :

ASSETS :

Fixed Assets (WDV)		1,685
Capital Work-in-progress		68,478
Incidental Expenses during construction		6,376
Investments		1,901
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		76,536

SOURCES OF FUNDS :

Share Capital		33,398
Share Application Money		3,183
Reserves and Surplus		6
Loan Funds (Secured)		39,949
TOTAL		76,536

Full details of the financial position are given in the published Accounts of the Transferee Company and the Transferor Companies.

PART – IV – TRANSFER AND VESTING

- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company, as going concerns without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and wherever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date:
- (i). The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its Income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.

PART – V – ISSUE AND ALLOTMENT OF SHARES

- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company or a duly constituted committee of such Board of Directors -
- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
- (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
- (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited

- as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
- (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in Trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of

- fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.

PART - VI - GENERAL TERMS AND CONDITIONS

- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required under law or any agreement.
- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- (i) The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - (ii) The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - (iii) The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD
ORIGINAL JURISDICTION
EXPLANATORY STATEMENT
UNDER SECTION 393 OF THE COMPANIES ACT, 1956
ANNEXED TO THE NOTICES CONVENING THE MEETINGS OF SHAREHOLDERS/CREDITORS
PURSUANT TO THE ORDER DATED 09-02-2009 PASSED BY THE HON'BLE ALLAHABAD HIGH COURT

IN
COMPANY APPLICATION No. 03 OF 2009
IN THE MATTER OF AMALGAMATION OF :
JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED
WITH
JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JAL") Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road,
Agra, Uttar Pradesh.
(Also referred to hereinafter as "JHL") Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL") Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL") Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP)
(Also referred to hereinafter as "GACL") Transferor Company No. 4

..... **APPLICANTS**

1. The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Hon'ble Allahabad High Court seeking directions to convene meetings of the Equity Shareholders (except of Jaypee Cement Limited which is a wholly owned subsidiary of the Transferee Company) and the Creditors, for considering and, if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation between the Applicant Companies and other directions incidental thereto. On the above Application, the Hon'ble Court has passed Order dated 09-02-2009 convening the meetings of the Equity shareholders of the Applicant Companies [except of Jaypee Cement Limited] and of the Creditors of all the Applicant Companies, has appointed Chairman and Alternate Chairman for each meeting, fixed date and time of the meetings and quorum for each meeting and have given directions regarding despatch and publication of notices and other directions incidental thereto.
2. The above Scheme of Amalgamation has been approved by the respective Board of Directors of the Applicant Companies at their meeting duly convened and held on 22nd December 2008.
3. Reg. TRANSFEREE COMPANY :

[JAIPRAKASH ASSOCIATES LIMITED]

(i) Jaiprakash Associates Limited, Transferee Company, was incorporated as a public limited company under the Companies Act, 1956, on 15-11-1995 in the State of Uttar Pradesh under the name of 'Bela Cement Limited'. Its name was changed from time to time and finally to its present name with effect from 11-3-2004. Copy of Certificate of incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of incorporation issued upon change of name, form part of the Memorandum and Articles of Association of the Company.

(ii) The registered office of the Company is situated at Sector - 128, NOIDA in the district of Gautam Buddha Nagar, U.P.

(iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

AUTHORISED CAPITAL:	Rs.
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000
30,00,000 Preference Shares of Rs. 100 each	300,000,000
TOTAL	10,600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

117,15,22,417 Equity Shares of Rs. 2 each
fully paid up 2,343,044,834

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs. 236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account of conversion of outstanding FCCBs/Warrants.

- (iv) The objects of the Company are set out in the Object Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, Manufacturing and Marketing of Cement, Hospitality and Real Estate etc.
- (v) The Company received Certificate of Commencement of Business on 29-01-1996. A copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited Accounts. The summarized financial position of the Company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS		
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advances :	596,293	
Less Current Liabilities & Provisions	365,414	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473
SOURCES OF FUNDS :		
Share Capital		23,430
Reserves and Surplus		396,520
Equity Warrants		39,850
Loans --		
Secured	464,030	
Unsecured	366,528	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

There has been no material change in the financial position of the Company after 31-03-2008 except in the normal course of business and on account of conversion of FCCBs/Warrants into equity shares, as already highlighted earlier, and consequential decrease in the outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account.

4. Reg. TRANSFEROR COMPANY No. 1 :
[JAYPEE HOTELS LIMITED]

- (i) Jaypee Hotels Limited, the Transferor Company No. 1, was incorporated as a public limited company under the Companies Act, 1956, on 29-12-1980 in the name of 'Siddharth Inter-continental Hotels (India) Limited' in the National Capital Territory of Delhi. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 19-02-1999. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 23-02-1999. The name of the Company was changed to its present name 'Jaypee Hotels Limited' with effect from 26-6-1987. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copy of fresh Certificate of Incorporation issued upon change of name, form part of the Memorandum & Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :	
59,000,000 Equity shares of Rs. 10 each	590,000,000
100,000 Preference Shares of Rs. 100 each	<u>10,000,000</u>
TOTAL	<u>600,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

55,490,000 Equity Shares of Rs. 10 each fully paid up	<u>554,900,000</u>
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There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The Transferor Company No. 1 is a subsidiary of the Transferee Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.
- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.
- (vi) The Company received Certificate of Commencement of business on 23-02-1981. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	20,154
Capital Work-in-progress	138
Investments	72
Current Assets, Loans & Advances :	16,031
Less Current Liabilities & Provisions	<u>15,906</u>
TOTAL	<u>20,489</u>

SOURCES OF FUNDS :

Share Capital	5,549
Reserves and Surplus	8,786
Loans –	
Secured	2,151
Unsecured	<u>20</u>
Deferred Tax Liability	3,983
TOTAL	<u>20,489</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

5. Reg. TRANSFEROR COMPANY No. 2 :
[JAYPEE CEMENT LIMITED]

- (i) Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, on 19-10-2004 in the State of Uttar Pradesh. The Certificate of Incorporation forms part of its Memorandum and Articles of Association.
- (ii) The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :	
500,000,000 Equity shares of Rs. 10 each	<u>5,000,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

355,950,700 Equity Shares of Rs. 10 each fully paid up	<u>3,559,507,000</u>
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However, as on 31-10-2008 being the valuation date, the Authorised Capital stood increased to Rs. 1000 Crores, divided into 100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood increased to Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each.

- (iv) The Transferor Company No. 2 is a wholly owned subsidiary of the Transferee Company as the entire paid up share capital of the Transferor Company No. 2 is beneficially held by the Transferee Company.
- (v) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant in the Krishna District of Andhra Pradesh. Besides this, it also holds 95.31% equity shares of Gujarat Anjan Cement Limited, the Transferor Company No.4 hereir, which is also setting up a Cement Plant in Distt Bhuj, Gajarat.
- (vi) The Company received Certificate of Commencement of business on 28-07-2005. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :	
Fixed Assets (WDV)	246
Investments	37,390
Current Assets, Loans & Advances :	91
Less Current Liabilities & Provisions	<u>197</u>
Misc. Expenditure	200
TOTAL	<u>37,730</u>

SOURCES OF FUNDS :

Share Capital	35,595
Share Application Money	2,110
Reserves and Surplus	<u>25</u>
TOTAL	<u>37,730</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the authorized and paid up capital of the company as already highlighted earlier.

6. Reg. TRANSFEROR COMPANY No. 3 :
[JAIPRAKASH ENTERPRISES LIMITED]

- (i) Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public limited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Ultra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaypee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 21-04-1986. The Order of the Company Law Board was duly registered with the Registrar of Companies, Delhi & Haryana, on 04-06-1986. The name of the Company was again changed to its present name 'Jaiprakash Enterprises Limited' with effect from 13-05-1988. Copy of Certificate of Incorporation issued by the Registrar of Companies at the time of initial incorporation as well as the copies of fresh Certificates of Incorporation issued upon change of name form part of the Articles and Memorandum of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008
Rs.

AUTHORISED CAPITAL :	
29,800,000 Equity shares of Rs. 10 each	298,000,000
20,000 3% Cumulative Preference Shares of Rs. 100 each	<u>2,000,000</u>
TOTAL	<u>300,000,000</u>

ISSUED, SUBSCRIBED AND PAID UP CAPITAL :

26,700,000 Equity Shares of Rs. 10 each fully paid up	<u>267,000,000</u>
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There has been no change in the above capital structure of the company after 31-03-2008.

- (iv) The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- (v) The Company received Certificate of Commencement of business on 01-06-1978. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vi) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31.3.2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008		Rs. In Lacs
ASSETS :		
Fixed Assets (WDV)	1,285	
Capital Work-in-progress	50	
Investments	5,618	
Current Assets, Loans & Advances :	7,440	
Less Current Liabilities & Provisions	<u>7,723</u>	(283)
Deferred Tax Liability		(71)
TOTAL		<u>6,599</u>
SOURCES OF FUNDS :		
Share Capital	2,670	
Reserves and Surplus	3,929	
TOTAL		<u>6,599</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business.

7. Reg. TRANSFEROR COMPANY No. 4 :
[GUJARAT ANJAN CEMENT LIMITED]

- (i) Gujarat Anjan Cement Limited, Transferor Company No. 4, was incorporated as a public limited company under the Companies Act, 1956, on 06-05-1992 in the name of 'Anjan Cement Limited' in the State of Gujarat. The name of the Company was changed to "Gujarat Anjan Cement Limited" with effect from 18-03-1996. The registered office of the Company was shifted from the State of Gujarat to the State of Uttar Pradesh and this alteration was confirmed by the Company Law Board vide its order dated 17-12-2008. The order of the Company Law Board was duly registered with the Registrar of Companies, Kanpur, on 19-12-2008. Copy of the Certificate of Incorporation issued at the time of initial incorporation of the Company as well as the fresh Certificate of Incorporation issued upon change of name form part of the Memorandum and Articles of Association of the Company.
- (ii) The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- (iii) The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under –

As on 31-03-2008		Rs.
AUTHORISED CAPITAL :		
350,000,000 Equity shares of Rs. 10 each	3,500,000,000	
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :		
333,975,070 Equity Shares of Rs. 10 each fully paid up	3,339,750,700	

However, as on 31-10-2008, being the valuation date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each.

- (iv) The Company is a subsidiary of the Transferor Company No. 2 i.e. Jaypee Cement Limited, which holds 95.31 % of the equity share capital of the Company. Since Jaypee Cement Limited is a subsidiary of the Transferee Company, hence in view of provisions contained in section 4(1)(c) of the Companies Act, Gujarat Anjan Cement Limited is deemed to be subsidiary of the Transferee Company also.
- (v) The objects of the Transferor Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cement Plant at Bhuj (Gujarat).
- (vi) The Company received Certificate of Commencement of business on 14-07-1992. Copy of the above Certificate of Commencement of Business forms part of the Memorandum of Association.
- (vii) The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-03-2008. These are

the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under :

As on 31-03-2008
Rs. In Lacs

ASSETS :		
Fixed Assets (WDV)	1,685	
Capital Work-in-progress	68,478	
Incidental Expenses during construction	6,376	
Investments	1,901	
Current Assets, Loans & Advances :	5,162	
Less Current Liabilities & Provisions	<u>7,245</u>	(2,083)
Misc. Expenditure		179
TOTAL		<u>76,536</u>

SOURCES OF FUNDS :		
Share Capital	33,397	
Share Application Money	3,183	
Reserves and Surplus	6	
Loan Funds (Secured)	39,950	
TOTAL		<u>76,536</u>

There has been no material change in the financial position of the Company after 31-03-2008, except in the normal course of business and on account of increase in the paid up capital of the company as already highlighted earlier.

8. The main provisions of the proposed Scheme of Amalgamation are stated below –

[Para numbers are as assigned in the Scheme]

- 2.02 "Appointed Date" shall mean 1st of April 2008.
- 2.05 "Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme" or the like terms used in the Scheme means the date on which the certified copy of the order of the Hon'ble High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttrakhand.
- 4.01 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall stand merged with and be vested in the Transferee Company; as going concerns, without any further act or instrument and pursuant to the provisions of section 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 4.02 With effect from the Appointed Date and upon this scheme coming into effect, all the undertakings, the entire business, all the properties (whether movable or immovable – freehold or leasehold, tangible or intangible), plant and machinery, buildings and structures, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, appliances, accessories, power lines, deposits, stocks, assets, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permissions, permits, quotas, rights, entitlements, authorisations, approvals, contracts, licenses, registrations, tenancies, benefits of assets or properties or other interest held in trust, engagements, arrangements of all kind, exemptions, benefits, privileges and rights under various laws, loan agreements, titles, interests, trade and service names and marks, patents, copyrights, and other intellectual property rights, 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 all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, 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 Companies or which have accrued to the Transferor Companies as on the Appointed Date, whether in India or abroad, of whatsoever nature and where-ever situated, shall, pursuant to Section 394 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as going concerns so as to become, as and from the Appointed Date, the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.03 Without prejudice to Clause 4.02 above, 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 or by enforcement and/or delivery, the same may be so transferred by the Transferor Companies, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities etc. of the Transferee Company.
- 4.04 With effect from the Appointed Date and pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed :
- (i) All secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Companies, duties and obligations of the Transferor Companies along with any charge, encumbrance, lien or security thereon (hereinafter referred to as

- the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Companies are concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Companies, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Companies and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Companies inter se or between the Transferee Company or any of the Transferor Companies shall stand discharged and there shall be no liability in that behalf on either party.
- 4.05 All the properties including freehold & leasehold properties, leases, estates, assets, rights, titles, interests, licenses, approvals, permissions and authorities etc. as described in Clause 4.02 accrued to and/or acquired by the Transferor Companies after the Appointed Date, shall have been and deemed to have accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of the Scheme, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the properties, leases, estates, assets, right, title, interests, licenses, approvals, permissions and authorities etc. of the Transferee Company.
- 4.06 All loans raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies after the Appointed Date, shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of the Scheme shall be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debts, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.07 Where any of the liabilities and obligations of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by the Transferor Companies after the Appointed Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.08 Upon the coming into effect of the Scheme, all suits, actions and proceedings by or against the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the Transferee Company.
- 4.09 Upon the coming into effect of the Scheme and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favour of the Transferor Companies or powers or authorities granted by or to it) of whatsoever nature, to which any of the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, 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 thereto.
- 4.10 The transfer and vesting of the assets and the liabilities of the Transferor Companies in the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company in terms of the Scheme shall not affect any contracts or proceedings relating thereto already concluded on or after the Appointed Date.
- 4.11 The Transferee Company may, at any time after the coming into effect of the Scheme, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 4.12 Upon the coming into effect of the Scheme,
- (i) All the employees of the Transferor Companies in service on the Effective Date, shall become the employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration and otherwise, not less favourable than those subsisting (with reference to the respective Transferor Companies), as on the effective date.
- (ii) The existing provident fund, gratuity fund, and pension and/or superannuation fund or trusts created by the Transferor Companies or any other special funds created or existing for the benefit of the employees of the respective Transferor Companies shall at an appropriate stage be transferred to the relevant funds of the Transferee Company and till such time, shall be maintained separately.
- 4.13 Upon the coming into effect of the Scheme,
- (i) The resolutions, including resolutions passed under Section 293(1)(d) of the Act, if any, of the respective Transferor Companies, which are valid and subsisting on the Effective Date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- (ii) The Authorised Share Capital of all the Transferor Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act or deed. The filing fee and stamp duty already paid by the respective Transferor Companies on their Authorised Share Capital shall be deemed to have been so paid by the Transferee Company on the combined Authorised Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty on the Authorised Share Capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase in the Authorised Share Capital of the Transferee Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferee Company relating to the Authorised Share Capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 16, 31, 94 and 394 and other applicable provisions of the Act, as the case may be, in the manner set out below and be replaced by the following clause:
- "V. The Authorised Share Capital of the Company is Rs.2500,00,00,000 (Rupees Two thousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Rs.100/- each."
- 4.14 Upon the coming into effect of the Scheme, all the taxes paid (including TDS) by the Transferor Companies from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same.
- 4.15 All inter party transactions between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies inter se and between the Transferor Companies and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 4.16 With effect from the Appointed Date and upto the Effective Date :
- (i) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective businesses and activities as hitherto for the benefit of and in trust for, the Transferee Company and shall hold and stand possessed of all their businesses including assets on account of, and for the benefit of and in trust for, the Transferee Company;
- (ii) The Transferor Companies and the Transferee Company shall have the right to allot further Equity Shares to (a) the applicants whose application money has already been received upto the Valuation Date, and (b) the holders of outstanding Warrants or Foreign Currency Convertible Bonds.
- (iii) All the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Companies, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- 4.17 On the Scheme becoming effective, the Transferee Company shall be entitled to file/revise its income tax returns, TDS Returns and other statutory returns, if required, and shall have the right to claim refunds, depreciation benefits, advance tax credits, etc., if any, as also the income tax returns filed by the Transferor Companies so far as is necessitated on account of the Scheme becoming effective with effect from 1st April, 2008, being the Appointed Date under the Scheme.
- 5.01 Upon the coming into effect of the Scheme and in consideration of the transfer of and vesting of the undertakings and the liabilities of the Transferor Companies in terms of the Scheme, the Transferee Company shall issue and allot to the equity shareholders of the Transferor Companies whose names are recorded in the Register of Members of the respective Transferor Companies or whose names appear as the beneficial owners of the equity shares of the said Companies in the records of the Depositories as on the Record Date to be fixed by the Board of Directors of the Transferee Company

or a duly constituted committee of such Board of Directors -

- (a) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 1.
 - (b) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every TEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 2.
 - (c) THREE equity shares of Rs. 2/- (Rupees Two only) each, credited as fully paid up, in the Transferee Company for every ONE equity share of Rs. 10/- (Rupees Ten only) fully paid up held in the Transferor Company No. 3.
 - (d) ONE equity share of Rs. 2/- (Rupees Two only), credited as fully paid up, in the Transferee Company for every ELEVEN equity shares of Rs. 10/- (Rupees Ten only) each fully paid up held in the Transferor Company No. 4.
- 5.02 Insofar as the equity shares of JAL & JHL, if any, held by JEL are concerned, the said equity shares of JAL & JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JEL ("the JEL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JAL & JHL shall be held by the trustees of the JEL Trust with all additions or accretions thereto in trust for the benefit of JEL and upon the Scheme becoming effective, the same shall be held for the benefit of JAL, being the successor of JEL in amalgamation, and subject to the said Equity Shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument, deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange Ratio specified in Clause 5.01 (a) above to the Trustees of JEL Trust who shall hold such shares with all additions or accretion thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JEL Trust Deed on such terms and conditions as may be set out in the JEL Trust Deed.
- 5.03 Insofar as the equity shares of JHL, if any, held by JAL are concerned, the said equity shares of JHL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JAL ("the JHL Trust") after moving the petition under Rule 79 of the Companies (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, and the said equity shares of JHL shall be held by the Trustees of JHL Trust for the benefit of JAL and subject to the said equity shares of JHL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JHL shares in the Share Exchange ratio specified in Clause 5.01(a) above to the trustees of JHL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JHL Trust Deed on such terms and conditions as may be set out in the JHL Trust Deed.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are concerned the said equity shares of JCL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme being effective, stand transferred to and vested in the Trust to be settled by JAL ("the JCL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of JCL shall be held by the Trustees of the JCL Trust for the benefit of JAL and subject to the said equity shares of JCL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of JCL shares in the Share Exchange ratio specified in Clause 5.01(b) above to the trustees of JCL Trust who shall hold such shares and with all additions or accretions thereto in trust for the benefit of JAL and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the JCL Trust Deed on such terms and conditions as may be set out in the JCL Trust Deed.
- 5.05 Insofar as the equity shares of GACL, if any, held by JCL are concerned, the said equity shares of GACL shall not get cancelled but shall, pursuant to this Scheme, on the Scheme becoming effective, stand transferred to and vested in the Trust to be settled by JCL ("the GACL Trust") after moving the petition under Rules 79 of the Company (Court) Rules, 1959, in the Allahabad High Court and before the date fixed for hearing of the said petition, the said equity shares of GACL shall be held by the Trustees of the GACL Trust and subject to the said equity shares of GACL being continued to be held by the said Trust on the Record Date, JAL shall, without any further application, act, instrument or deed, issue New Equity Shares of JAL in lieu of GACL shares in the Share Exchange ratio specified in Clause 5.01(d) above to the trustees of GACL Trust who shall hold such shares, and with all additions or accretions thereto in trust for the benefit of JAL, being the successor to JCL, and its successor or successors subject to the powers, provisions, discretions, rights and agreements contained in the GACL Trust Deed on such terms and conditions as may be set out in the GACL Trust Deed.
- 5.06 The equity shareholders of the Transferor Companies becoming eligible for equity shares in the Transferee Company in terms of this Scheme, may exercise their option by notice in writing sent to the Transferee Company within such period as may be notified by the Board of Directors of the Transferee Company, to receive the shares in the Transferee Company either in physical form or in dematerialized form. In the absence of such notice, the Transferee Company shall issue the shares to such members in physical form.
- 5.07 No certificate(s) shall be issued by the Transferee Company in respect of fractional entitlements, to which the shareholders of the Transferor Companies may become entitled to on issue and allotment of equity shares of the Transferee Company in terms of the Scheme. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to custodian(s), to be nominated by the Board of Directors of the Transferee Company. Such custodian(s) shall hold the shares in trust for the beneficiaries entitled to fractional entitlements with the express understanding that such custodian(s) shall sell the said shares in the market at such times and at such prices and to such persons as he/they deem fit, and pay to the Transferee Company, the net sale proceeds thereof. The Transferee Company shall, thereafter, distribute such net sale proceeds to the beneficiaries in proportion to their respective fractional entitlements.
- 5.08 The resolution approving the Scheme shall be deemed to be the approval of the shareholders of the Transferee Company under Section 81(1A) and other applicable provisions of the Act and no further approval or resolution of the shareholders will be required for the increase in the share capital of the Transferee Company consequent upon the issue and allotment of shares in terms of the Scheme.
- 5.09 Upon the coming into effect of this Scheme, all the existing shares/share certificates pertaining to shares of the Transferor Companies as on the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferee Company may not require the shareholders of the Transferor Companies to surrender their share certificates before issuing the new share certificates for the shares allotted in terms of the Scheme.
- 5.10 The equity shares issued and allotted by the Transferee Company in terms of the Scheme, shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing shares of the Transferee Company and shall be eligible for dividend, as may be declared by the Transferee Company for the financial year 2008-09, after the effective date.
- 5.11 The Transferee Company shall get the equity shares issued and allotted in terms of the Scheme listed on all such stock exchanges in India, where the existing equity shares of the Transferee Company are listed.
- 6.01 Until the coming into effect of the Scheme :
- (i) The right of the Transferor Companies and the Transferee Company to declare and pay dividends, whether interim or final, to their respective equity shareholders shall remain unaffected.
 - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
 - (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on the shareholders to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Company concerned and subject, wherever necessary, to the approval of the shareholders of the respective companies.
- 6.02 Accounting Treatment :
- Upon the Scheme becoming effective :
- (i) The Transferee Company shall account for the assets and liabilities of the Transferor Companies vested in it in terms of the Scheme at the book values appearing in the books of the respective Transferor Companies. The Transferee Company shall record in its books of accounts, all the transactions of the Transferor Companies in respect of assets, liabilities, income and expenses at their book values from the Appointed Date to the Effective Date.
 - (ii) The inter-company balances, if any, shall stand cancelled.
 - (iii) The identity of statutory reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies, prior to this Scheme becoming effective.
 - (iv) Subject to provisions of this Scheme, the Transferee Company shall abide by the AS-14 issued by the Institute of Chartered Accountants of India.
- 6.03 The amalgamation of Transferor Companies with the Transferee Company in terms of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of section 2(1B) of the Income Tax Act, 1961.
- 6.04 The Transferor Companies and the Transferee Company shall, with all reasonable despatch, make all applications/petitions under Section 391 and 394 and other applicable provisions of the Act to the Court for the sanctioning of the Scheme and obtain all approvals and consents as may be required

under law or any agreement.

- 6.05 The respective Board of Directors of the Transferor Companies and the Transferee Company may assent to any alterations or modifications of the Scheme which the Court and/or any other competent authority may deem fit to approve or impose or which may otherwise become necessary.
- 6.06 The Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Court or any other authority is not on terms acceptable to them.
- 6.07 The Board of Directors of the Transferee Company may give such directions, as they may consider necessary, to settle any question or difficulty arising in regard to the implementation of the Scheme or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder) such that the same shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.
- 6.08 The respective Board of Directors of the Transferor Companies and the Transferee Company may empower any committee of directors or officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 6.09 The Scheme shall become effective when all the following conditions are fulfilled :
- The Scheme is approved by the requisite majority of the shareholders and the creditors of the respective Transferor Companies and the Transferee Company as may be required under the Act and/or the orders of the Court;
 - The Scheme is sanctioned by the Hon'ble High Court of Judicature at Allahabad under Section 394 of the Act;
 - The certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, U.P. & Uttaranchal.
- 6.10 The Transferor Companies shall stand dissolved without winding up with effect from the date on which the certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, UP and Uttaranchal.
- 6.11 In the event of the Scheme failing to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transferor Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs or as may be mutually agreed.
- 6.12 The Transferee Company and the Transferor Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Transferee Company and the Transferor Companies. In such case, Transferee Company and the Transferor Companies shall bear their own costs and expenses, or as may be mutually agreed amongst them.
- 6.13 All costs, charges and expenses in connection with the Scheme and incidental to the completion of the amalgamation of the Transferor Companies with the Transferee Company shall be borne and paid by the Transferee Company.
- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Companies and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.

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

The detailed and complete terms of the proposed amalgamation are given in the annexed Scheme of Amalgamation.

9. As provided in Clauses 5.02 to 5.05 of the Scheme, the shares held by the Applicant Companies in each other will not stand cancelled upon amalgamation. The said shares will be held by Trusts for the benefit of the respective Applicant Companies and upon Scheme being effective, the same will be held for the benefit of the Transferee Company, being successor of the Transferor Companies.
10. The ratio in which shares in the Transferee Company shall be allotted to the shareholders of the Transferor Companies, has been fixed on the basis of recommendation made by Bansi S. Mehta & Co., Chartered Accountants, Mumbai vide their report dated 15-12-2008. In terms of Clause 24 (h) of the Listing Agreement, the Transferee Company has obtained 'Fairness Opinion' from an independent SEBI Registered Merchant Banking Company, namely, Sobhagya Capital Options Limited, vide their letter dated 19-12-2008, on valuation of assets / shares done by the Valuer for the Transferee Company and unlisted companies, i.e., Transferor Companies No. 2 & 4, which has been accepted and approved by the concerned Board of Directors of the Applicant Companies.
11. The circumstances that have necessitated the proposed Scheme and the objects sought to be achieved are explained below –
- The Transferee Company is engaged in Civil Engineering Construction, Manufacture and marketing of cement, Hospitality, and Real Estate activities etc. The Transferor Company No. 1 is engaged in Hospitality, Real Estate & Civil Engineering Construction business. The Transferor Company No. 2 and Transferor Company No. 4 are setting up cement plants. The Transferor Company No. 3 is engaged in the business of Civil Engineering Construction, has limestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Unit.
- Thus the Scheme would enable the Companies to realise the substantial benefits of greater synergies between their businesses. The amalgamation will also result in consolidation of cement business resulting in pan India presence and reducing volatility of regional demand-supply factors besides achievement of economies of scale and management efficiency, reduction in administrative cost, optimization of resources, enhanced flexibility in funding of expansion plans, expansion of asset base, improvement in profitability and stronger balance sheet of the merged company, etc.
- Thus the proposed amalgamation will benefit the shareholders of all the companies with better return and capital appreciation on their investment.
12. The directors of the Applicant Companies have no material interest in the Scheme of Amalgamation. The shareholdings of present directors of the Applicant Companies as on 31.12.08 have been as under –

A : SHAREHOLDINGS OF PRESENT DIRECTORS OF JAIPRAKASH ASSOCIATES LIMITED - TRANSFEREE COMPANY

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393	-	-	-
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	-	-	-
3	Shri Sunil Kumar Sharma, Executive VC	1,000	1	-	-	-
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131	-	-	-
5	Shri A. K. Sahoo (LIC Nominee)	-	-	-	-	-
6	Shri M. J. Subbalah (ICICI Nominee)	5,000	2,000	-	-	-
7	Shri K.P. Rau (IDBI Nominee)	-	-	-	-	-
8	Shri Gopi K Arora	-	-	-	-	-
9	Shri R.N. Bhardwaj	-	-	-	-	-
10	Shri S. C. Bhargava	2,000	-	-	-	-
11	Shri B.K. Goswami	-	-	-	-	-
12	Shri S. C. Gupta	-	-	-	-	-
13	Dr. E.R.C. Shekar*	-	-	-	-	-
14	Shri M. S. Srivastava	50,955	5,900	-	-	1,900
15	Shri B. K. Tapania	-	-	-	-	-
16	Shri Sunny Gaur, MD (Cement)	158,250	447	-	-	-
17	Shri Pankaj Gaur, Jt. MD(Constr.)	100,000	4,500	-	-	-
18	Shri R. K. Singh (Whole-time)	-	-	-	-	-
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200	-	-	-
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,900
	TOTAL	6,028,105	3,14,499	-	-	3,800

B : SHAREHOLDINGS OF DIRECTORS OF JAYPEE HOTELS LIMITED - TRANSFEROR COMPANY No.1

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur, * Founder Chairman	250	1,83,393	-	-	-
2	Shri Sunil Kumar Sharma, Chairman	1,000	1	-	-	-
3	Shri Ravi Sreen, MD	12,160	6,000	-	-	-
4	Shri Manoj Gaur	50,000	24,600	-	-	-
5	Ms.Manju Sharma (Whole-time)	5,900	600	-	-	-
6	Shri P. K. Jain	2,705,500	30,430	-	-	-
7	Ms.Rita Dixit	12,500	45,000	-	-	-
8	Shri R N Bhardwaj	-	-	-	-	-
9	Shri Gunjit Singh	10,500	-	-	-	-
10	Shri S. K. Bansal	67,480	-	-	-	1,900
11	Shri B. K.Taparia	-	-	-	-	-
12	Shri Harish K. Vaid	56,620	1,000	-	-	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam	-	-	-	-	-
15	Shri S K Chakraborty	-	-	-	-	-
TOTAL		4,607,910	291,024	-	-	3,800

C : SHAREHOLDINGS OF DIRECTORS OF JAYPEE CEMENT LIMITED - TRANSFEROR COMPANY No. 2

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	-	-
2	Shri Sunny Gaur	158,250	447	-	-	-
3	Shri P. V. Vora	2,102,750	1,000	-	-	-
4	Shri Pankaj Gaur	100,000	4,500	-	-	-
5	Shri SC Bhargava	2,000	-	-	-	-
6	Shri Rakesh Sharma	12,375	-	-	-	-
7	Shri Rahul Kumar	84,500	16,000	-	-	-
8.	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	-	-
9	Shri Harish K Vaid	56,620	1,000	-	-	1,900
10	Shri Vijai Kumar Jain	6,560	-	-	40,000	1,900
11	Shri R B Singh	1,000	-	-	40,000	1,900
TOTAL		4,511,145	23,148	-	80,000	5,700

D : SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED - TRANSFEROR COMPANY No. 3

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri N. C. Sharma	5,155	78,930	-	-	-
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430	-	-	-
4	Shri B K Taparia	-	-	-	-	-
5	Shri S C Bhargava	2,000	-	-	-	-
6	Shri Gunjit Singh	10,500	-	-	-	-
TOTAL		2,773,155	133,960	-	-	-

E : SHAREHOLDINGS OF DIRECTORS OF GUJARAT ANJAN CEMENT LIMITED - TRANSFEROR COMPANY No. 4

S.No.	Name of Directors	Number of Shares held in				
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600	-	-	-
2	Shri P. V. Vora	2,102,750	1,000	-	-	-
3	Shri Sameer Gaur	117,650	138	-	-	-
4	Shri Ranvijay Singh	1,983,810	200	-	-	-
5	Shri Harish K Vaid	56,620	1,000	-	-	1,900
6	Shri Alok Gaur (Whole-time)	-	-	-	13,000	1,900
TOTAL		4,310,830	26,938	-	13,000	3,800

*since resigned.

13. The pre-amalgamation (as on 22-12-2008) and expected post-amalgamation shareholding pattern of the Transferee Company is shown below :

S. No.	Category of shareholder	PRE MERGER			POST MERGER		
		Number of shareholders	Total number of shares	%age of total number of shares	Number of shareholders	Total number of shares	%age of total number of shares
(A)	Promoter and Promoter Group	116	53,16,13,213	44.91	118	52,30,06,736	37.31
(B)	Public Shareholding						
	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	29.02
	(2) Non-institutions	4,50,621	24,53,99,266	20.73	4,50,621	27,08,05,472	19.32
	(3) Trusts wherein Company is beneficiary				4	20,12,11,256	14.35
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366	55.09	4,51,175	87,88,04,828	62.69
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,293	1,40,18,11,564	100.00

14. As on 31-03-2008, the Transferee Company has outstanding Non-convertible Secured Debentures aggregating Rs. 40,250 lacs, Non-convertible Unsecured Debentures aggregating Rs. 647 lacs and Unsecured Foreign Currency Convertible Bonds [FCCBs] aggregating Rs. 165,475 lacs. On account of conversion of part of the FCCBs into shares as per terms and conditions of FCCBs, the value of outstanding FCCBs as on 31-10-2008 was Rs 163,072.91 lacs. There are no defaults in repayment of principal or payment of interest on the aforesaid Debentures/ Bonds. None of the Transferor Companies have issued any debentures.

15. The proposed Scheme will not prejudicially affect the interest of any creditors [including secured debenture-holders and other secured creditors and also unsecured debenture-holders and FCCB holders and other unsecured creditors] as the Scheme does not contemplate distribution of any part of the assets of the applicant companies. In terms of the Scheme, the Transferor Companies with all their assets and liabilities will stand merged with the Transferee Company. The assets of the Transferee Company and of the Transferor Companies are sufficient to meet all their liabilities. The Scheme also provides that the security available to the secured creditors will remain unaffected.

16. The shares of Transferee Company are listed on National Stock Exchange and Bombay Stock Exchange. The shares of Transferor Company No. 1 are listed on National Stock Exchange. The shares of Transferor Company No. 3 are listed on Delhi and U.P. Stock Exchanges. The shares of Transferor Companies No. 2 and 4 are not listed on any stock exchanges.

17. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company and the Transferor Companies No. 1 and 3, being the companies whose shares are listed on various stock exchanges as above, have served copies of the proposed Scheme of Amalgamation on the respective Stock Exchanges 30 days prior to moving this Company Application. The above Applicant Companies have received 'No Objection' letters from the respective Stock Exchanges on which their shares are listed, viz., Transferee Company from Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.; Transferor Company No.1 from National Stock Exchange; and Transferor Company No.3 from Delhi Stock Exchange Ltd. and Uttar Pradesh Stock Exchange Association Ltd. None of the Applicant Companies have received any objections from any Stock Exchange.

18. No investigation proceedings under Sections 235 to 251 and the like are

pending against the Transferee or the Transferor Companies.

19. The following documents will be available for inspection between 10 A.M. to 2.00 P.M. at the Registered Offices of the respective Applicant Companies on all working days till the date of the meetings -

- Copy of the Order dated 09-02-2009 passed by the Hon'ble Allahabad High Court in Company Application No. 03 of 2009
- Complete set of the Company Application No. 03 of 2009 filed by the Applicant Companies in the High Court
- Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31st March, 2008
- Memorandum & Articles of Association of all the Applicant Companies
- Valuation Report submitted by Banshi S. Mehta & Co., Chartered Accountants, Mumbai
- Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange ratio of unlisted companies, i.e., Transferor Companies No. 2 & 4
- Copies of resolutions dated 22-12-2008, 17-01-2009 and 28-01-2009 passed by the Board of Directors of the Applicant Companies approving the Scheme of Amalgamation and other matters incidental thereto
- Details of important pending legal cases by or against the Applicant Companies
- No Objection letters received from Stock Exchanges
- Lists of shareholders of the Applicant Companies
- List of Creditors of the Applicant Companies
- Trust Deed relating to Foreign Currency Convertible Bonds issued by the Transferee Company
- Copy of Scheme of Amalgamation

The above records will also be available for inspection at the place of the meeting on the dates fixed for the meetings during 10.30 A.M. to 4.30 P.M.

In addition to above, all statutory records which are required to be kept open for inspection at the general meetings of shareholders under law, will be available for inspection at the venue of the meetings on the date of the meetings.

Information is also available on the website : www.jalindia.com

Sd/-
[R.P.AGARWAL]
ADVOCATE
1-A, Auckland Road
ALLAHABAD - 211001

Sd/-
[S.D.SINGH]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JAL and Equity Shareholders of JEL

Sd/-
[Rajiv Gupta]
ADVOCATE
Chairman appointed for the Meetings of
Creditors of JCL and Equity
Shareholders & Creditors of GACL

Sd/-
[Rajnath N Shukla]
ADVOCATE
Chairman appointed for the Meetings
of Equity Shareholders & Creditors of
JHL and Creditors of JEL

Dated : 14th day of February, 2009

IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

ORIGINAL JURISDICTION
IN THE MATTER OF COMPANIES ACT, 1956
AND IN THE MATTER OF :
Company Application No. 03 of 2009
Under Sections 391/394 of the Companies Act]

IN THE MATTER OF AMALGAMATION OF :

JAYPEE HOTELS LIMITED
JAYPEE CEMENT LIMITED
JAIPRAKASH ENTERPRISES LIMITED
GUJARAT ANJAN CEMENT LIMITED

WITH

JAIPRAKASH ASSOCIATES LIMITED

1. JAIPRAKASH ASSOCIATES LIMITED
having its registered office at
Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP). ... Transferee Company
2. JAYPEE HOTELS LIMITED
having its registered office at
Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. ... Transferor Company No. 1
3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj, Lucknow 226 001 ... Transferor Company No. 2
4. JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP). ... Transferor Company No. 3
5. GUJARAT ANJAN CEMENT LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP) ... Transferor Company No. 4

..... APPLICANTS

FORM OF PROXY

I/We _____, the undersigned, Shareholder(s)/Creditor(s) of Gujarat Anjan Cement Ltd., the Applicant Company abovenamed, hereby appoint Mr./Ms. _____ of _____ failing him/her, Mr./Ms. _____ of _____ as my/our proxy to act for me/us at the meeting of the Shareholders/Creditors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Sunday, the 29th March, 2009 at _____ A.M./P.M., for the purpose of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Transferee Company as named above and also approving, with or without modification, by separate resolution, the proposed provisions relating to creation of Trust in respect of the shares held by the Applicant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of the Scheme, and at such meeting and any adjournment thereof, to vote for me/us and in my/our name/s _____ (here, if "for", insert "for" and if "against", insert "against" the said Resolutions, either with or without modification, as my/our proxy may approve. (strike out what is not necessary).

Dated this _____ day of _____ 2009

Signature _____

Name & address _____

Folio No./Client ID No. _____

Revenue Stamp

of Re.1.00

Note : The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 (Forty Eight) hours before the time fixed for holding of the meeting.

GUJARAT ANJAN CEMENT LIMITED
Attendance Slip (Entrance Pass)

I hereby record my presence at the meeting of the Shareholders/Creditors of Gujarat Anjan Cement Limited held at the premises of Jaypee Institute of Information Technology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Sunday, the 29th March, 2009 at _____ am/_____ pm.


Full Name _____ Signature _____

(Only Shareholders/Creditors or their Proxies are allowed to attend)

BOOK-POST
UPC

GUJARAT ANJAN CEMENT LIMITED
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)

If undelivered please return to:
GUJARAT ANJAN CEMENT LIMITED
Sector-128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

MPA  info@mpaworld.com