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

JAIPRAKASH ASSOCIATES LIMITED
 having its registered office at
 Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

Transferee Company

JAYPEE HOTELS LIMITED
 having its registered office at
 Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

. Transferor Company No. 1

 JAYPEE CEMENT LIMITED having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001

... Transferor Company No. 2

JAIPRAKASH ENTERPRISES LIMITED
 having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).

... Transferor Company No. 3

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 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.
- 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.
- 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.
- 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 'Uttra 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 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 Construct on, limestone mines and Real
- 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 "Guiarat 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 registered office of the Company was shifted from the State of Gujarat to the State of Ultar 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 Ultrakhand, 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 become it is a subsidiant of the Jaypee Company. the Company and hence it is a subsidiary of the Jaypee Cement Limited. Since, Javpee Cement Limited is a subsidiary of the Transferee Company, hence Gujarat Anjan Cement Limited is a step down subsidiary of the Transferee Company.
- Recognizing the strengths of each other and with the end and intent of aligning the business operations undertaken by the Transferor Companies 1.06 and the Transferee Company, the said Cempanies 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 in accordance with the terms hereof. The Transferee Company is engaged in engineering, cement, hospitality, and real ostate activities. The Transferor Company No. 1 is engaged in engineering, Fospitality 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

- In this Scheme, unless repugnant to the meaning or context thereof, the 2.00 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
- 2.02 "Appointed Date" shall mean '1st of April 2008'.
- "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.
- "Court" or the "High Court" means the Hon'ble High Court of Judicature 2.04 at Allahabad.
- "Effective Date" or "coming into effect of this Scheme" or "effectiveness 2.05 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.
- "Record Date" means the date to be fixed by the Board of Directors of the -2.06Transferee Company after the Effective Date with reference to which the eligibility of the shareholders of the Transferor Companies for allotment of shares in the ransferee Company in terms of this Scheme shall be
- "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.
- "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.
- "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.
- "Transferor Company No. 3" or "JEL" means JAIPRAKASH ENTERPRISES LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- "Transferor Company No. 4" or "GACL" means GUJARAT ANJAN CEMENT 2.13 LIMITED, having its registered office at Sector - 128, NOIDA, Uttar Pradesh - 201304.
- "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]
  - 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.

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PART-III - CAPITAL STRUCTURE AND FINANCIAL POSITIO	N .		and the second s		Rs. In lakhs)
3.01 CAPITAL STRUCTURE: The authorized, issued, subscribed and paid up capita			JAL[TRANSFEREE COMPANY]:	As	at 31-3-2008
Company and the Transferor Companies as per the available Balance Sheets as at 31st March, 2008 are		٠.	ASSETS : Fixed Assets (WDV)		793,052
JAL [Transferee Company] :			Investments Deferred Tax Assets	2.45	322,483 1,149
AUTHORISED CAPITAL:			Current Assets, Loans & Advances :	596,293	1,145
5,15,00,00,000 Equity Shares of Rs. 2 each	Rs. 10,300,000,000		Less Current Liabilities & Provisions Misc. Expenditure not w/off	365,514	230,779 10
30,00,000 Preference Shares of Rs. 100 each	300,000,000		TOTAL		1,347,473
TOTAL	10,600,000,000		SOURCES OF FUNDS:		1,047,470
	10,000,000		Share Capital		23,430
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 117,15,22,417 Equity Shares of Rs. 2 each fully	·		Reserves and Surplus		396,520
paid up	2,343,044,834	•	Equity Warrants Loans	•	39,850
			Secured	464,030	
(However, as on 31-10-2008, (being the Valuation Date), the Paid up Capital stood increased to			Unsecured Deferred Tax Liability	366,528	830,558 57,115
Rs.236,75,05,236 divided into 118,37,52,618 Equity			TOTAL		
Shares of Rs.2 each on account of conversion of FCCBs/Warrants).	*				1,347,473
or conversion or r coops viainants).			JHL[TRANSFEROR COMPANY No. 1]:		
JHL [TRANSFEROR COMPANY No. 1]:			ASSETS : Fixed Assets (WDV)	*	20,154
AUTHORISED CAPITAL:			Capital Work-in-progress		138
59,000,000 Equity shares of Rs. 10 each	590,000,000		Investments	10.001	72
100,000 Preference Shares of Rs. 100 each	10,000,000		Current Assets, Loans & Advances : Less Current Liabilities & Provisions	16,031 15,906	125
TOTAL.	600,000,000		TOTAL		20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:			SOURCES OF FUNDS:	•	20,465
55,490,000 Equity Shares of Rs. 10 each		4 %	Share Capital		5,549
fully paid up	554,900,000	A 1	Reserves and Surplus		8,786
JCL [TRANSFEROR COMPANY No. 2]:			Loans – Secured	21,51	
AUTHORISED CAPITAL:	A Section 1	43417	Unsecured	20	2,171
509,000,000 Equity shares of Rs. 10 each	5,000,000,000		Deferred Tax Liability		3,983
ICCUICD, CUIDCODIDED AND DAID UD CADITAL			TOTAL	5 6 6 5 5 6	20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 355,950,700 Equity Shares of Rs. 10 each			JCL [TRANSFEROR COMPANY No. 2]:	or process	
fully paid up	3,559,507,000		ASSETS: 1000		
(However, as on the Valuation Date, the Authorized			Fixed Assets (WDV) Investments		24 <del>6</del> 37,390
Capital stood increased to Rs.1000 Crores, divided into			Current Assets, Loans & Advances :	91	
100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into			Less Current Liabilities & Provisions Misc. Expenditure	197	(106) 200
506,050,700 Equity Shares of Rs.10 each).			TOTAL	•	37,730
TEL TTO ANGECTOOD CORROANY No. 21.			SOURCES OF FUNDS ;		07,700
JEL [TRANSFEROR COMPANY No. 3]:			Share Capital	er e	35,595
AUTHORISED CAPITAL:			Share Application Money Reserves and Surplus		2,110
29,800,000 Equity shares of Rs. 10 each 20,000 9% Cumulative Preference Shares	298,000,000		TOTAL		25 37,730
of Rs. 100 each	2,000,000		JEL [TRANSFEROR COMPANY No. 3]:		
TOTAL	300,000,000		ASSETS:		
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:			Fixed Assets (WDV)		1,285
26,700,000 Equity Shares of Rs. 10 each			Capital Work-in-progress Investments		50 5,618
fully paid up	267,000,000		Current Assets, Loans & Advances :	7,440	
GACL[TRANSFEROR COMPANY No. 4]:			Less Current Liabilities & Provisions Deferred Tax Liability	7,723	(283) (71)
AUTHORISED CAPITAL:			TOTAL		6,599
350,000,000 Equity shares of Rs. 10 each	3,500,000,000		SOURCES OF FUNDS:		-,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:			Share Capital		2,670
333,975,070 Equity Shares of Rs. 10 each	0 and mad 1100		Reserves and Surplus		3,929
fully paid up	3,339,750,700		TOTAL GACL[TRANSFEROR COMPANY No. 4]:	4.5	6,599
(However, as on the Valuation Date, the Paid up			ASSETS:		
Capital stood increased to Rs.3,499,750,700 divided into 349,975,070 Equity Shares of Rs.10 each).			Fixed Assets (WDV)		1,685
· ·	k Evchange and the		Capital Work-in-progress		68,478 6,376
3.02 The equity shares of JAL are listed on National Stock Bombay Stock Exchange. The equity shares of JHL a			Incidental Expenses during construction Investments		. 1,901
Stock Exchange. The shares of JEL are listed on Delf	hirand Uttar Pradesh		Current Assets, Loans & Advances :	5,162	(0.000)
Stock Exchanges. The shares of JCL and GACL at stock exchange.	не посталец ол апу	- '	Less Current Liabilities & Provisions Misc. Expenditure	7,245	(2,083) 179
			TOTAL		76,536
3.03 FINANCIAL POSITION:	and the Teaf		SOURCES OF FUNDS:		-,
The audited accounts of the Transferee Company Companies have been presented to their respective sh			Share Capital		33,398
financial year ended on 31-3-2008. The summarized	financial position of		Share Application Money Reserves and Surplus		3,183 6
the these companies as per the above latest Aud under:	ited Accounts is as		Loan Funds (Secured)		39,949
w			TOTAL.		76,536
		3 .			

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.
- 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 deta is 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/cr 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:
  - 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 lave 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 Transfe or 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 ary 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, liconses, 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 doed, 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 liabilitios 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 Effect ve 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 eigible, 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 reso utions, 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 filling 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 Transferoe Company as effectively as if the Transferee Company had paid the same.
- 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 Transferoe 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 retunds, 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 Transferoe 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 Transferoe 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.
- 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.
- 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 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.
- Insofar as the equity shares of JCL, if any, held by JAL are concerned the sald 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.
  - 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.
  - 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 Scherne 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
  - 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 :

- (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 Cirectors 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 in 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:
  - (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;
  - 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 faling to take effect by 30th June, 2009 or by such later date as may be agreed by the respective Board of Directors of the Transfercr Companies and the Transferee Company, the Scheme shall become null and void and in that event, no rights and liabilities, whatscever, 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.

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### 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

JAIPRAKASH ASSOCIATES LIMITED 1. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "JAL")

2.

JAYPEE HOTELS LIMITED having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. (Also referred to hereinafter as "JHL")

JAYPEE CEMENT LIMITED 3. having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001. (Also referred to hereinafter as "JCL")

JAIPRAKASH ENTERPRISES LIMITED 4. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "JEL")

**GUJARAT ANJAN CEMENT LIMITED** 5. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "GACL")

- 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, Company) and the Creditors, for considering and, it indugit it, 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, and have 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]

- 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.
- The registered office of the Company is situated at Sector 128, NOIDA in the district of Gautam Buddha Nagar, U.P.
- The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under -

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

10,300,000,000 300,000,000 10,600,000,000 Transferee Company

Transferor Company No. 1

Transferor Company No. 2

..... Transferor Company No. 3

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.

- 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:

	ent pro-	- As on 31-03-2008 Rs. In Lacs
ASSETS Fixed Assets (WDV) Investments Deferred Tax Assets Current Assets, Loans & Advanc Less Current Liabilities & Provision Misc. Expenditure not w/off TOTAL	es: 596,2 ons <u>365,</u> 4	
SOURCES OF FUNDS: Share Capital Reserves and Surplus Equity Warrants Loans – Secured Unsecured Deferred Tax Liability TOTAL	464, 366,	

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

3,559,507,000

355,950,700 Equity Shares of Rs. 10 each fully paid up

However, as on 31-10-2008 being the valuation date, the Authorised Cap tall 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.

- 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.
- 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 Distr
- 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.
- 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

		70 (	#1 0 1 00 Z 000 .
ASSETS:	*.		Rs. In Lacs
Fix∋d Assets (WDV)		· · · / · · · .	246
investments Current Assets, Loans & A			37,390
Less Durrent Liabilities & P	ovances : rovisions	91 197	(106)
Misc. Expenditure		<del></del>	200
TOTAL	and the state of t		37,730
SOURCES OF FUNDS :	, fairs i		
Share Capital Share Application Money	The State of the	1000	35,595
Reserves and Surplus			2,110
TOTAL			<u>25</u>
			37,730

There has been no material change in the financial position of the Company after 31-C3-2008, except in the normal course of business and on account of increase in the authorized and paid up capital of the company as already nightighted earlier.

# Reg. TRANSFEROR COMPANY No. 3 ; [JAIPRAKASH ENTER PRISES LIMITED]

- 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 Marianal Committee (MCD) of Dalbi. The appropriate Committee (MCD) of Dalbi. 1956, on 15-04-1978 in the name of futra Hasayan Udyog Limited in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jaybee Chemicals Limited" with effect from 14-02-1985. The registered office of the Company was shifted from NCT of Delhi to the State of Ultar 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 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 1s present name 'Jaiprakash Enterprises Limited' was again changed to is present name palprakash Emerphises Limited with effect from 13-35-1988. 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.
- 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 uncer

	As on 31-03-200	
AUTHORISED CAPITAL:	R	s.
29,800,000 Equity shares of Rs. 20,000 9% Cumulative Preference	10 each 298,000,000 e Shares	o
of Rs 100 each	2,000,000	)
TOTAL	300,000,000	5
ISSUEC, SUBSCRIBED AND PAI	DUP 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.

outstanding value of FCCBs/Warrants and increase in the Paid up share capital and Share Premium Account. Reg. TRANSFEROR COMPANY No. 1: [JAYPEE HOTELS LIMITED]

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 Ultar Pradesh and this alteration was confirmed by the Company Law Board with a line of the State of Ultar Pradesh 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 issued upon change of name, form part of the Memorandum & Articles of Association of the Company.

There has been no material change in the firancial 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

- The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- 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 100,000 Preference Shares of Rs. 100 each 590,000,000 10,000,000 600,000,000 ISSUED, SUBSCRIBED AND PAID UP CAPITAL. 55,490,000 Equity Shares of Rs. 10 each. (3,43)

fully paid up 554,900,000 There has been no change in the above capital structure of the company after 31-03-2008.

- 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.
- 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.
- 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.
- The audited accounts of the Company have been presented to the shareholders up to the financial year ended on 31-33-2008. These are the latest audited accounts. The summarized financial position of the company as per the latest Audited Accounts is as under:

ASSETS:	As o	n 31-03-2008 Rs. In Lacs
Fixed Assets (WDV) Capital Work-in-progress Investments Current Assets, Loans & Advances:	16,031	20,154 138 72
Less Current Liabilities & Provisions	15,906	125
TOTAL		20,489
SOURCES OF FUNDS:	:	
Share Capital		5,549
Reserves and Surplus	* *	5,549 8,786
Loans –		0,700
Secured	2,151	
Unsecured	20	2,171
Deferred Tax Liability		3,983
TOTAL.	•	20,489
		120,100

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

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

- 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
- The Authorized and Issued, Subscribed and Faid up Capital of the (iii) 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:

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

#### 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.
- 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

1,50	101 00 E000
The second of th	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 COMMENT OF THE STATE OF T	76,536
SOURCES OF FUNDS:	•
Share Capital	33,397
Share Application Money	3,183
Reserves and Surplus	6
Loan Funds (Secured)	39,950
TOTAL STORY OF STREET	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.

- 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'.

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As on 31-03-2008

- 2.05 "Effective Date" or "coming trito 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 carified 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, debenaures 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 to effect of the Scheme shall be and stand transferred to or visted 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 ansing 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 effectivally 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 ooligee 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

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- 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.
- (fi) The Authorised Share Capital of all the Transferror Companies shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company without any further act cr 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 pursuam 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 ir 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 beccming effective, the Transferee Company shall be entitled to file/revise its income tax returns. TCS 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 undertaxings 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 equity shares of JHL Trust to the said equity shares of JHL shall be held by the Trustees 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.
- 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.
- 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.
- .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 fig/they deem fit, and pay to the Transferee Company, the net saile proceeds thereof. The Transferee Company shall, thereafter, distribute such not saile 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 Transferes 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.
- 3.01 Until the conting 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, whicher 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 Transferoe 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;
- (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 Transferor 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 Transferoe 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 cated 15-12-2008. In terms of Clause 24 (f) of the Listing Agreement, the Transferee Company has obtained Frairness 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.
- 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, Rea. 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		JEL	GACL	
2	Shri Manoj Gaur, Executive Chairman & CEO	50,000	24,600	<del> </del>	<del> </del>		
3	Shri Sunil Kumar Sharma, Executive VC	1,000	24,000	- 1, 1	<del>                                     </del>		
4	Shri S. K. Jain, Vice Chairman	3,656,880	75,131			-	
5	Shri A. K. Sahoo (LIC Nominee)	0,000,000	75,151			<u> </u>	
6	Shri M. J. Subbalah (ICICI Nominee)	5,000	2,000		<u> </u>		
7	Shri K.P. Rau (IDBI Nominee)	3,000	2,000	-			
8	Shri Gopi K Arora				-		
9	Shri R.N. Bhardwaj	1 ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) (	-	-		-	
10	Shri S. C. Bhargava		-		·	-	
11	Shri B.K. Goswami	2,000	· •	<u> </u>	3 10 1 mg		
12	Shri S. C. Gupta		-		-		
13	Dr. E.B.C. Shakar*					-	
14	Shri M. S. Srivastava		<u> </u>	-		edi, et i <del>.</del>	
15	Shri B. K. Taparia	50,955	5,900			1,900	
16	Shri Sunny Gaur, MD (Cement)	9 5 A. G.		2 ''	1		
17	Shri Pankaj Gaur, M.D (Constn.)	158,250	447	<u> </u>	-	-	
18		100,000	4,500	2 <del>-</del> 17		-	
19	Shri R. K. Singh (Whole-time)	-			-	-	
20	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					
	0	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	-	- 3 3 -		
4.	Shri Manoj Gaur	50,000	24,600	· -	-	• -	
5	Ms.Manju Sharma (Whole-time)	5,900	600	- 1	-	-	
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	- · · · -	-	-	•	<del></del>	
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.	o. 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	-	// <b>-</b>		
4	Shri Pankaj Gaur		100,000	4,500	_		_	
5	Shri SC Bhargava	, i	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	- 2	_		
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	<u> </u>	<del>-</del>	40,000	1,900	
	TOTAL	4	511,145	23,148	-	80,000	5,700	

# ${\tt D:SHAREHOLDINGS\ OF\ DIRECTORS\ OF\ JAIPRAKASH\ ENTERPRISES\ LIMITED\ -TRANSFEROR\ COMPANY\ No.\ 3}$

S.No.	Name of Directors	Number of Shares held in					
		JAL	JHL	JCL	JEL	GACL	
1	Shri Manoj Gaur, Chairman	50,000	24,600		4: = 1		
2	Shri N. C. Sharma	5,155	78,930	-	100 15-1		
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

1 2 3 4 5 5	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	-	- 1	-		
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		

<sup>\*</sup>since resigned

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

S. No.	Category of shareholder	100	PRE MERGER			POSTMERGER			
		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	5.54							
	(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	Ţ			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 lass, 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

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MONTH OF SECTION OF SECTION

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

Sd/[Rajiv Gupta]
ADVCATE
ADVOINTAIN appointed for the Meetings of Creditors of JCL and Equity
Shareholders & Creditors of GACL

Dated: 14th day of February, 2009

pending against the Transferee or the Transferor Companies.

- 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 Crder 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
  - (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.

and Silver

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

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.

प्रमुद्धिः

# 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 d:

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

WITH

#### JAIPRAKASH ASSOCIATES LIMITED

	JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304, District Gautam Bud	ddha Nagar, (UP).	tu Sil With Hasti	Transferee Company	
0	JAYPEE HOTELS LIMITED		\$1.		•
2.	having its registered office at	•			
	Hotel Jaypee Palace, Fatehabad Road, Agra, Utta	r Pradesh.	istoria (m.). Sistematika Sistematika	Transferor Company No. 1	
3.	JAYPEE CEMENT LIMITED		1 4 16 AM.		
	having its registered office at	* .	e a profession		
	5 Park Road, Hazratganj, Lucknow 226 001	in the second se	The section of the se	Transferor Company No. 2	
4.	JAIPRAKASH ENTERPRISES LIMITED	Ćģ.	्राहरूत्वस्य स्टब्स		
	having its registered office at Sector-128, NOIDA-201304, District Gautam-Buddh	ao Magar (LIÀ)	to part diale	Transferor Company No. 3	e* ·
		ia Nagar (OP).	ranger same	rransieror Company No. 3	•
5.	GUJARAT ANJAN CEMENT LIMITED (1964-1964)		vidio het¶ Gundida™		
٥.	having its registered office at		SCOME NO.		
	Sector-128, NOIDA-201304, District Gautam Buddh	a Nagar,(UP) .	1 (2.11 <b>/4/1</b> 1) 2 1 2 1 2 <b>0</b> 2	Transferor Company No. 4	
			ž.	APPLIC	ANTS
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•			독성 보기	• •	
		FORM OF PRO	XY	and the second second	
1044			teal )	the undersigned, Shareholder(s)/Cre	ditarial of
I/We	ash Associates Ltd., the Applicant Company abovens	med berehv appoir	nt Mr /Me	the undersigned, Shareholder(s)/Cre	ullor(s) or
him/har	, Mr./Ms of	amed, hereby appoin	as my/or	ir provy to act for me/us at the meet	ing of the
approvir	62, Noida-201307 (UP), INDIA on Friday, the 27th ng, with or without modification, the proposed Scheme	warch, 2009 at	A.M./P.:M., R	or the purpose of considering, and it is companies with the Transferee Company	nought iit,
shares i	and also approving, with or without modification, by setheld by the Applicant Companies in each other, which and any adjournment thereof, to vote for me/us and the said Resolutions, either with or without modifica	eparate resolution, the hare not to be cand d in my/our name/s	e proposed proviselled, in terms of	ions relating to creation of Trust in resp Clauses 5.02 to 5.05 of the Scheme, at _(here, if "for", insert "for" and if "again	pect of the
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JAIPRAKASH ASSOCIATES LIMITED

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

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Under Sections 391/394 of the Companies Acti

IN THE MATTER OF AMALGAMATION OF :

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

WITH

#### JAIPRAKASH ASSOCIATES LIMITED

JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

Transferee Company

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, Hazratgani, Lucknow 226 001

Transferor Company No. 2

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

Τo,

# NOTICE CONVENING MEETING

# 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

- 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

- 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 29-11996. 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.
- 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.
- 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 'Uttra 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 Cert ficate 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 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 step down 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 Transferèe 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.

#### **FART-II-DEFINITIONS**

- 2.00 In this Scheme, unless repugnant to the meaning or context thereof, the under-mentioned excressions 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 Transferoe 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.& Utrakhand.
- 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 electroric form and whose names are entered and registered as members in the Ragister 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 - 201302.
- 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 Erterprises Limited [Transferor Company No. 3]
  - (iv) Gujarat Ar jan Cement Limited [Transferor Company No. 4]
     either collectively or any of them as the context may require.

PAR	T-III-CAPITAL STRUCTURE AND FINANCIAL POSITIO	N .				Rs. In lakhs)
3.01	CAPITAL STRUCTURE:					at 31-3-2008
	The authorized, issued, subscribed and paid up capit	al of the Transferee		JAL [TRANSFEREE COMPANY]:		
	Company and the Transferor Companies as per tavailable Balance Sheets as at 31st March, 2008 are	heir respective last		ASSETS:		
		as ander		Fixed Assets (WDV) Investments	•	793,052 322,483
	[Transferee Company] :	•		Deferred Tax Assets		1,149
AUTI	- HORISED CAPITAL:	•		Current Assets, Loans & Advances :	596,293	
5.15.	00,00,000 Equity Shares of Rs. 2 each	Rs.		Less Current Liabilities & Provisions Misc. Expenditure not w/off	365,514	230,779
	0,000 Preference Shares of Rs. 100 each	10,300,000,000 300,000,000		TOTAL		10
TOTA	AL.	10,600,000,000				1,347,473
		10,000,000,000		SOURCES OF FUNDS : Share Capital		23,430
117	ED, SUBSCRIBED AND PAID UP CAPITAL:			Reserves and Surplus		396,520
paid	15,22,417 Equity Shares of Rs. 2 each fully up	2,343,044,834		Equity Warrants		39,850
		2,0 70,0 17,004		Loans – Secured	464,030	
WOH)	ever, as on 31-10-2008, (being the Valuation ), the Paid up Capital stood increased to			Unsecured	366,528	830,558
Rs.23	36,75,05,236 divided into 118,37,52,618 Equity			Deferred Tax Liability		57,115
Shar	es of Rs.2 each on account			TOTAL	-	1,347,473
or co.	nversion of FCCBs/Warrants).			JHL [TRANSFEROR COMPANY No. 1]:		
JHL[	TRANSFEROR COMPANY No. 1]:			ASSETS:	•	
	•			Fixed Assets (WDV)		20,154
	HORISED CAPITAL: 00,000 Equity shares of Rs. 10 each			Capital Work-in-progress		138
100,0	000 Preference Shares of Rs. 100 each	590,000,000 10,000,000		Investments Current Assets, Loans & Advances :	16,031	72
TOTA		600,000,000		Less Current Liabilities & Provisions	15,906	125
	•	000,000,000		TOTAL		20,489
ISSU	ED, SUBSCRIBED AND PAID UP CAPITAL:		•	SOURCES OF FUNDS:		20,100
	0,000 Equity Shares of Rs. 10 each	554,900,000		Share Capital		5,549
		554,900,000		Reserves and Surplus	:	8,786
JCT [	TRANSFEROR COMPANY No. 2]:			Loans Secured	01 54	
AUTH	IORISED CAPITAL:			Unsecured	21,51 20	2,171
	00,000 Equity shares of Rs. 10 each	5,000,000,000		Deferred Tax Liability		3,983
				TOTAL		20,489
355.9	ED, SUBSCRIBED AND PAID UP CAPITAL : 50,700 Equity Shares of Rs. 10 each			JCL [TRANSFEROR COMPANY No. 2]:		
fully p	paid up	3,559,507,000		ASSETS:		
	•	- 0,000,007,000		Fixed Assets (WDV)		246
(Howe	ever, as on the Valuation Date, the Authorized al stood increased to Rs.1000 Crores, divided into	•		Investments		37,390
100 C	Prore Equity Shares of Rs.10 each and the Paid			Current Assets, Loans & Advances : Less Current Liabilities & Provisions	91 197	(106)
Up Ca	apital stood at Rs.5.060.507.000 divided into			Misc. Expenditure	197	(106) 200
506,0	50,700 Equity Shares of Rs.10 each).			TOTAL	-	37,730
JEL	FRANSFEROR COMPANY No. 3]:			SOURCES OF FUNDS:		67,700
				Share Capital		35,595
	ORISED CAPITAL:			Share Application Money	•	2,110
20,00	0,000 Equity shares of Rs. 10 each 0 9% Cumulative Preference Shares	298,000,000		Reserves and Surplus TOTAL	•	25
of Rs.	100 each	2,000,000		JEL [TRANSFEROR COMPANY No. 3]:		37,730
TOTA	L	300,000,000		ASSETS:		
[00116	ED SUBSCOUDED AND DAID UP A COMM			Fixed Assets (WDV)	* -	1,285
26.70	ED, SUBSCRIBED AND PAID UP CAPITAL : 0,000 Equity Shares of Rs. 10 each			Capital Work-in-progress	•	50
	aid up	267,000,000		Investments	7.440	5,618
CAO	TTDANGEEROD COMPANYAL AS	,		Current Assets, Loans & Advances : Less Current Liabilities & Provisions	7,440 7,723	(283)
	[TRANSFEROR COMPANY No. 4];	•		Deferred Tax Liability		(71)
	ORISED CAPITAL: 00,000 Equity shares of Rs. 10 each	2 500 000 000		TOTAL.		6,599
		3,500,000,000		SOURCES OF FUNDS:		
ISSUE	ED, SUBSCRIBED AND PAID UP CAPITAL:			Share Capital		2,670
333,9 fully n	75,070 Equity Shares of Rs. 10 each aid up	0.000 750 700		Reserves and Surplus		3,929
runy p	aid up	3,339,750,700		TOTAL		6,599
(Howe	ever, as on the Valuation Date, the Paid up			GACL [TRANSFEROR COMPANY No. 4]: ASSETS:	•	
	at stood increased to Rs.3,499,750,700 divided into 75,070 Equity Shares of Rs.10 each).			Fixed Assets (WDV)		1,685
	•	<b>.</b>		Capital Work-in-progress		68,478
3.02	The equity shares of JAL are listed on National Stock Bombay Stock Exchange. The equity shares of JHL are	Exchange and the		Incidental Expenses during construction	i	6,376
	Stock Exchange. The shares of JEL are listed on Delhi	and Uttar Pradesh		Investments Current Assets; Loans & Advances :	5,162	1,901
	Stock Exchanges. The shares of JCL and GACL are	not listed on any		Less Current Liabilities & Provisions	5,162 7,245	(2,083)
	stock exchange.			Misc. Expenditure		179
3.03	FINANCIAL POSITION:			TOTAL	,	76,536
1 '	The audited accounts of the Transferee Company a	and the Transferor		SOURCES OF FUNDS:		
	Companies have been presented to their respective sha	reholders up to the		Share Capital Share Application Money		33,398
1	financial year ended on 31-3-2008. The summarized f the these companies as per the above latest Audite			Reserves and Surplus		3,183 6
	under:	ou Accounts is as		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.
- 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 Transferree 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:
  - 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 extert 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, cischarge 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, f 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,
  - 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 Transferoe 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 Transferoe 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 5AL (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 on
- 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.
- 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.
- 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.
  - 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 fract onal 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 or the Record Date shall stand cancelled and will become invalid and shall cease to be tradable thereafter. The Board of Directors of the Transferoe 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 is aued 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 ur der 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 :

- (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.

- 5.03 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 desparch, 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 aw cr 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 Transferoe 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;
  - The Scheme s 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 filled 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 jurisciction or unenforceable under the present or future laws, then it is the irtention 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

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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

JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JAL")

JAYPEE HOTELS LIMITED
 having its registered office at
 Hotel Jaypee Palace, Fatehabad Road,
 Agra, Uttar Pradesh.
 (Also referred to hereinafter as "JHL")

3. JAYPEE CEMENT LIMITED
having its registered office at
5 Park Road, Hazratganj,
Lucknow 226 001.
(Also referred to hereinafter as "JCL")

 JAIPRAKASH ENTERPRISES LIMITED having its registered office at Sector - 128, NOIDA- 201304
 District Gautam Buddha Nagar, (UP), (Also referred to hereinafter as "JEL")

 GUJARAT ANJAN CEMENT LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "GACL")

- 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.
- 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 22<sup>™</sup> 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 30,00,000 Preference Shares of Rs. 100 each TOTAL 10,600,000,000

.. Transferee Company

.... Transferor Company No. 1

... Transferor Company No. 2

... Transferor Company No. 3

.... Transferor Company No. 4

#### ..... APPLICANTS

2,343,044,834

ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 117,15,22,417 Equity Shares of Rs. 2 each

fully paid up

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:

	· · · · · · · · · · · · · · · · · · ·	s on 31-03-2008
ASSETS		Rs. In Lacs
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		
Reserves and Surplus		23,430 396,520
Equity Warrants		39,850
Loans -	•	
Secured	464,030	
Unsecured	366,528	830,558
Deferred Tax Liability		57,115
TOTAL		1,347,473

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

- 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.
- 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

**AUTHORISED CAPITAL:** 

59,000,000 Equity shares of Rs. 10 each 590,000,000 100,000 Preference Shares of Rs. 100 each 10.000.000 600,000,000

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

There has been no change in the above capital structure of the company

- 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.
- 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.
- 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.
- 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 or	31-03-2008 Rs. In Lacs
ASSETS:		itis. III Lacs
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
<u></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.

# Reg. TRANSFEROR COMPANY No. 2:

### [JAYPEE CEMENT LIMITED]

- 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
- The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

AUTHORISED CAPITAL:

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

5,000,000,000

Rs.

As on 31-03-2008

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

- 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.
- 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 Bhui, Ga arat,
- 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.
- 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 Misc. Expenditure	(106) 200
TOTAL	37,730
SOURCES OF FUNDS : Share Capital Share Application Money Reserves and Surplus	35,595 2,110 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.

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

- 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 Ultar 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,
- The registered office of the Company is situate at Sector -128, NOIDA (ii) in the district of Gautam Buddha Nagar.
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under

As on 31-03-2008

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

298,000,000

2,000,000 300,000,000

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:

ASSETS:		Rs. In Lacs
Fixed Assets (WDV)		1,285
Capital Work-in-progress		- 50
Investments	100	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.

#### 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 afteration 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.

An ap 21 02 0000

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:

42.04		As of	1 31-03-2008
ASSETS:			Rs. In Lacs
	e de la companya de l		
Fixed Assets (WDV)			1,685
Capital Work-in-progres			68,478
Incidental Expenses du	uring construction		6,376
Investments		.4	1,901
Current Assets, Loans		5,162	
Less Current Liabilities	& Provisions	7,245	(2,083)
Misc. Expenditure			179
TOTAL			76,536
SOURCES OF FUNDS	Programme and the second		
Share Capital	•		00.007
Share Application Mone			33,397
Reserves and Surplus	y ,	* * * * * * * * * * * * * * * * * * * *	3,183
	the with the first	4.5	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.

- 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 quarantees, 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 pehalf 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 Transferoe 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 Transferoe Company pursuant to the provisions of Section 394 of the Act and without any further act, instrument or deed, and shall become the debt, outies, undertakings, liabilities and obligations of the Transferoe 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 Transferoe Company and the continuance of all contracts or proceedings by or against the Transferoe 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.
- 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 Transferoe 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 he
- 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 Transferor Companies whose names 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.
- 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.
- 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 a reration 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 oirections, 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 Transferoe 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;
- 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
- 6.11 In the event of the Scheme falling 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 Transferoe Company, the Scheme shall become null and void and in that event, no rights and liabidies, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In suct. case, each Company shall bear its own costs or as may be mutually agr≡ed.
- 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, Murnbai 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.
- 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.

 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)	-	-	- "	<del>-</del> .	-		
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(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	<b>4</b> 1	-	1,900		
	TOTAL 44	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			CAOL
2	Shri Sunil Kumar Sharma, Chairman	1,000	1		<del> </del>	
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	·		<u> </u>
6	Shri P. K. Jain	2,705,500		<u> </u>	~	
7	Ms.Rita Dixit		30,430		-	
8	Shri R N Bhardwaj	12,500	45,000		-	· -
9	Shri Gunjit Singh	10 70	-	<u> </u>		
10	Shri S. K. Bansal	10,500	-		-	
11	Shri B. K.Taparia	67,480	-	-	<u> </u>	1,900
12	Shri Harish K. Vaid	-	-	•	-	-
13	Ms.Sunita Joshi	56,620	1,000	·	-	1,900
	· ····································	1,686,000	2	· · ·	-	-
14	Shri K Subramaniam	44 T				
15	Shri S K Chakraborty	-	T		_	
	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			UAUL
2	Shri Sunny Gaur	1	58,250	447			<u> </u>
3	Shri P. V. Vora		02,750	1,000		<del>                                     </del>	
4	Shri Pankaj Gaur		00,000	4,500	<del></del>	<del>                                     </del>	
5	Shri SC Bhargava		2,000	4,300			
6	Shri Rakesh Sharma	<del> </del>	12,375		-	-	
7	Shri Rahul Kumar		84,500	16,000			
3	Shri Naveen Kumar Singh (Whole-time)		86,090		-		-
9	Shri Harish K Vaid		56,620	200		-	
10	Shri Vijai Kumar Jain		·	1,000	<u> </u>	-	1,900
11	Shri R B Singh		6,560			40,000	1,900
	TOTAL		1,000		-	40,000	1,900
	TOTAL	4,5	11,145	23,148	*** <b>=</b>	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		2,7 00,000	00,430			
5	Shri S C Bhargava		2,000			-	
6	Shri Gunjit Singh	· · · · · · · · · · · · · · · · · · ·		<del></del>			
	TOTAL.	<del></del>	10,500		-		
	TOTAL		2,773,155	133,960	-	- 1	

# 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		<del> </del>	
3	Shri Sameer Gaur	117,650	138			<del>-</del>
4	Shri Ranvijay Singh	1,983,810	200		<del> </del>	<del></del>
5	Shri Harish K Vaid	56,620	1.000		· · · ·	
3	Shri Alok Gaur (Whole-time)	55,02.0	1,000			1,900
	TOTAL	<u> </u>		<u> </u>	13,000	1,900
	TOTAL	4,310,830	26,938	<b>-</b> ``	13,000	3,800

<sup>\*</sup>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		1 1224 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		POSTMERGER	OST 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., Transferere 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/-[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/I 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 d:

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

WITH

#### JAIPRAKASH ASSOCIATES LIMITED

1.	JAIPHAKASH 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					
	5 Faix Hoad, Hazialgarij, Luckhow 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)	True ( 0				
	1000 (100) (100) (100) (100) (100) (100)	Transferor Company No. 4				
		APPLICANTS				
		•				
	FORM OF PROXY					
I/We		, the undersigned, Shareholder(s)/Creditor(s) of				
Jaiprak him/hei	ash Associates Ltd., the Applicant Company abovenamed, hereby appoint Mr./Msr, Mr./Msofofofofofofof	r in				
approvi above a shares meeting	olders/Creditors of the said Applicant Company, to be held at the premises of Ja 62, Noida-201307 (UP), INDIA on Friday, the 27th March, 2009 atA.M. ng, with or without modification, the proposed Scheme of Amalgamation of the Trar and also approving, with or without modification, by separate resolution, the propose held by the Applicant Companies in each other, which are not to be cancelled, in g and any adjournment thereof, to vote for me/us and in my/our name/s to the said Resolutions, either with or without modification, as my/our proxy may ap	./P.M., for the purpose of considering, and if thought fit, isferor Companies with the Transferee Company as named sed provisions relating to creation of Trust in respect of the terms of Clauses 5.02 to 5.05 of the Steller, and at such the control of the second of the				
Dated	thisday of 2009					
	ure	Revenue Stamp				
Name a	& address	of Re.1.00				
Folio N	lo./Client ID No					
Note : holding	The Proxy must be returned so as to reach the Registered Office of the Company no of the meeting.	ot less than 48 (Forty Eight) hours before the time fixed for				
. ,	JAIPRAKASH ASSOCIATES LIMIT Attendance Slip (Entrance Pass					
I hereby	y record my presence at the meeting of the Shareholders/Creditors of Jaiprakash A mation Technology University, A-10, Sector 62, Noida – 201307 (UP), INDIA on Fr	Associates Limited held at the premises of Jaypee Institute iday, the 27th March, 2009 atam/pm.				
Full Na	meSignature					
(Only S	hareholders/Creditors or their Proxies are allowed to attend)					

### BOOK-POST UPC

Fig. (Properties and Co.)

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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

JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

Transferee Company

JAYPEE HOTELS LIMITED 2. having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

Transferor Company No. 1

JAYPEE CEMENT LIMITED 3. having its registered office at 5 Park Road, Hazratgani, Lucknow 226 001

... Transferor Company No. 2

JAIPRAKASH ENTERPRISES LIMITED having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).

Transferor Company No. 3

**GUJARAT ANJAN CEMENT LIMITED** having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)

... Transferor Company No. 4

..... APPLICANTS

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 28h 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.

NOTICE CONVENING MEETING

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

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 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

- 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.
- 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.
- Jaypee Cement Limited, Transferor Company No. 2, was incorporated as a public limited company under the Companies Act, 1956, cn 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.
- 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 'Uttra 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 Transferoe 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 filled 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, Ultar 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:	erra.	The graduate of the second		Rs. In lakhs) at 31-3-2008
The authorized, issued, subscribed and paid up capital of the	ne Transferee	JAL [TRANSFEREE COMPANY]:		
Company and the Transferor Companies as per their re		ASSETS:	<i>2</i>	
available Balance Sheets as at 31st March, 2008 are as un		Fixed Assets (WDV)	the second second	793,052
IAI (Transferos Compony).		Investments Deferred Tax Assets		322,483
JAL [Transferee Company] :		Current Assets, Loans & Advanc	es: 596.293	1,149
AUTHORISED CAPITAL:	Rs.	Less Current Liabilities & Provision	,	230,779
5,15,00,00,000 Equity Shares of Rs. 2 each 10,	,300,000,000	Misc. Expenditure not w/off		10
	300,000,000	TOTAL		1,347,473
TOTAL 10.	,600,000,000	SOURCES OF FUNDS:	•	
		Share Capital	4 4 6	23,430
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	:	Reserves and Surplus		396,520
117,15,22,417 Equity Shares of Rs. 2 each fully paid up 2,	,343,044,834	Equity Warrants		39,850
paid up	,040,044,004	Loans Secured	464,030	
(However, as on 31-10-2008, (being the Valuation		Unsecured	366,528	830,558
Date), the Paid up Capital stood increased to		Deferred Tax Liability		57,115
Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account		TOTAL		1,347,473
of conversion of FCCBs/Warrants).		JHL [TRANSFEROR COMPANY I	Jo 11:	
		ASSETS:		
JHL [TRANSFEROR COMPANY No. 1]:		Fixed Assets (WDV)		20,154
AUTHORISED CAPITAL:		Capital Work-in-progress		138
59,000,000 Equity shares of Rs. 10 each	590,000,000	Investments		72
100,000 Preference Shares of Rs. 100 each	10,000,000	Current Assets, Loans & Advance Less Current Liabilities & Provision		405
TOTAL	600,000,000		ons <u>15,906</u>	125
		TOTAL		20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 55.490,000 Equity Shares of Rs. 10 each		SOURCES OF FUNDS:		
fully paid up	554,900,000	Share Capital		5,549
Tony paid up	004,000,000	Reserves and Surplus		8,786
JCL [TRANSFEROR COMPANY No. 2]:		Loans – Secured	21,51	
ALITHODICED CADITAL		Unsecured	20	2,171
AUTHORISED CAPITAL: 500,000,000 Equity shares of Rs. 10 each	,000,000,000	Deferred Tax Liability		3,983
	.000,000,000	TOTAL		20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		JCL [TRANSFEROR COMPANY I	Jo 21 ·	
355,950,700 Equity Shares of Rs. 10 each	550 507 000	ASSETS:	10. 2] .	
fully paid up 3	,559,507,000	Fixed Assets (WDV)		246
(However, as on the Valuation Date, the Authorized		Investments		37,390
Capital stood increased to Rs.1000 Crores, divided into	•	Current Assets, Loans & Advance		
100 Crore Equity Shares of Rs.10 each and the Paid		Less Current Liabilities & Provision Misc. Expenditure	ons <u>197</u>	(106) 200
Up Capital stood at Rs.5,060,507,000 divided into 506,050,700 Equity Shares of Rs.10 each).		•	•	
500,000,700 Equity Charos of 115.10 Cachy.		TOTAL		37,730_
JEL [TRANSFEROR COMPANY No. 3]:	4	SOURCES OF FUNDS:		
AUTHORISED CAPITAL:		Share Capital Share Application Money		35,595 2,110
29,800,000 Equity shares of Rs. 10 each	298,000,000	Reserves and Surplus		25
20,000 9% Cumulative Preference Shares	250,500,500	TOTAL		37,730
of Rs. 100 each	2,000,000	JEL [TRANSFEROR COMPANY I	No. 31 :	
TOTAL	300,000,000	ASSETS:		
- COURT OF TOO DISTRICT AND SAFETY OF THE COURT		Fixed Assets (WDV)		1,285
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		Capital Work-in-progress		50 5 018
26,700,000 Equity Shares of Rs. 10 each fully paid up	267,000,000	Investments Current Assets, Loans & Advanc	es: 7,440	5,618
	>- 1-2-1000	Less Current Liabilities & Provisi		(283)
GACL [TRANSFEROR COMPANY No. 4]:		Deferred Tax Liability		(71)
AUTHORISED CAPITAL:		TOTAL		6,599
350,000,000 Equity shares of Rs. 10 each3	,500,000,000	SOURCES OF FUNDS:		
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		Share Capital	•	2,670
333,975,070 Equity Shares of Rs. 10 each		Reserves and Surplus	,	3,929
	3,339,750,700	TOTAL		6,599
		GACL [TRANSFEROR COMPAN	Y No. 4] :	
(However, as on the Valuation Date, the Paid up Capital stood increased to Rs.3,499,750,700 divided into		ASSETS:		
349,975,070 Equity Shares of Rs.10 each).		Fixed Assets (WDV)		1,685
3.02 The equity shares of JAL are listed on National Stock Excl	hange and the	Capital Work-in-progress Incidental Expenses during cons	truction	68,478 6,376
Bombay Stock Exchange. The equity shares of JHL are list		Incidental Expenses during cons Investments	u doudii	1,901
Stock Exchange. The shares of JEL are listed on Delhi and		Current Assets, Loans & Advance		
Stock Exchanges. The shares of JCL and GACL are not	t listed on any	Less Current Liabilities & Provisi	ons 7,245	(2,083)
stock exchange.		Misc. Expenditure		179
3.03 FINANCIAL POSITION:		TOTAL		76,536
The audited accounts of the Transferee Company and t	the Transferor	SOURCES OF FUNDS :		90.000
Companies have been presented to their respective shareho	olders up to the	Share Capital Share Application Money		33,398 3,183
financial year ended on 31-3-2008. The summarized finan-		Reserves and Surplus		5,103
the these companies as per the above latest Audited A under:	accounts is as	Loan Funds (Secured)		39,949
didei.		TOTAL		76,536
	3	• -		<del></del>

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.
- 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, resident al 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 nellectual 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 or 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 anc/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 Transferoe 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 ob igations 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 or deemed to have been transferred to and vested in or deemed to have been transferred to and vested in or deemed to have been transferred to and vested in or deemed to have been transferred to and vested in or deemed to have been transferred to and vested in or deemed to have been transferred to any third party or other person who is a party 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, dulies 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 filling 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.
- 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 Transferoe 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.
- 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.
- 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 Aliahabad 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 ball, 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.
- .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.
- 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.
  - 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 Scherre. 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 Boarc 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.
  - 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 :

- (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.

- 5.03 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 Ultranchal
- 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.
- 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.
- 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

ORIGINALJURISDICTION

#### **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

 JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JAL")

JAYPEE HOTELS LIMITED
 having its registered office at
 Hotel Jaypee Palace, Fatehabad Road,
 Agra, Uttar Pradesh.
 (Also referred to hereinafter as "JHL")

3. JAYPEE CEMENT LIMITED having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.

(Also referred to hereinafter as "JCL")

 JAIPRAKASH ENTERPRISES LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JEL")

 GUJARAT ANJAN CEMENT LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "GACL")

- 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.
- 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 22<sup>nd</sup> 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: 5,15,00,00,000 Equity Shares of Rs. 2 each 30,00,000 Preference Shares of Rs. 100 each TOTAL

10,300,000,000 300,000,000 10,600,000,000 ..... Transferee Company

..... Transferor Company No. 1

. Transferor Company No. 2

.. Transferor Company No. 3

..... Transferor Company No. 4

#### ..... APPLICANTS

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

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

fully paid up

A 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

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:

Company as per the latest reading rice	outile is us and	
	As	on 31-03-2008 Rs. In Lacs
ASSETS		ns. III Lacs
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
COLUMNIA OF FLINIDA		
SOURCES OF FUNDS:		00.400
Share Capital		23,430 396,520
Reserves and Surplus		39,850
Equity Warrants		39,000
Loans -	464.030	
Secured	366,528	830,558
Unsecured	300,320	57,115
Deferred Tax Liability		
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.

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

- 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.
- The registered office of the Company is situate at Hotel Jaypee (ii) Palace, Fatehabad Road, Agra, Uttar Pradesh.
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under

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

As on 31-03-2008

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

- 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.
- 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.
- 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.
- 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-	
ASSETS:		Rs.	In Lacs
Fixed Assets (WDV)			20,154
Capital Work-in-progress			138
Investments			72
Current Assets, Loans & Advances :	16,03	ŀ	–
Less Current Liabilities & Provisions	15,906	ò	125
TOTAL			20,489
SOURCES OF FUNDS:			:-
Share Capital			5,549
Reserves and Surplus		1	8,786
Loans -		•	0,700
Secured	2.151		
Unsecured	20	)	2,171
Deferred Tax Liability		•	3,983
TOTAL		٠. ٠ -	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.

# Reg. TRANSFEROR COMPANY No. 2:

## [JAYPEE CEMENT LIMITED]

- 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.
- The registered office of the Company is situate at 5 Park Road, Hazratgani, Lucknow 226 001
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

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

each.

5,000,000,000

As on 31-03-2008

ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 355,950,700 Equity Shares of Rs. 10 each

3,559,507,000

fully paid up 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

- The Transferor Company No. 2 is a wholly owned subsidiary of the Transferoe Company as the entire paid up share capital of the Transferor Company No. 2 is beneficially held by the Transferee Company.
- 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% ecuity shares of Gujarat Anjan Cement Limited, the Transferor Company No.4 herein, which is also setting up a Cement Plant in Distt Bhuj, Gajarat.
- 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.
- 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 31-03-200	
ASSETS:	TIO. III CAC	, 3
Fixed Assets (WDV)	24	2
Investments	27 200	•
Current Assets, Loans &	Advances of	,
Less Current Liabilities & Misc. Expenditure	Advances: 91 Provisions 197 (106	•
TOTAL	37,730	_
SOURCES OF FUNDS:	The state of the s	-
Share Capital	05.50	_
Share Application Money	35,599	
Reserves and Surplus	The state of the s	
TOTAL	<del></del>	_
TOTAL	37,730	<u>)</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 high lighted earlier.

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

- Jaiprakash Enterprises Limited, Transferor Company No. 3, was incorporated as a public fimited company under the Companies Act, 1956, on 15-04-1978 in the name of 'Uttra Rasayan Udyog Limited' in the National Capital Territary (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 Roset Vide its order dated 21-04-1986. The Order 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.
- The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008

AUTHORISED CAPITAL: 29,800,000 ≡quity shares of Rs. 10 each 20,000 9% Cumulative Preference Shares of Rs. 100 each 300,000,000

298,000,000 2.000,000

Rs.

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

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	
TOTAL	6,599
	•
SOURCES OF FUNDS:	et en
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.

#### 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

AUTHORISED CAPITAL:

fully paid up

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

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:

Ac on 31-03-2008

, As C	311-31-03-2006
	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.

- 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 Transferoe 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 nave 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.

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.

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 filling 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 :

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

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 Transferor Companies whose names 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 shanes 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.
- as may be set out in the original bees.

  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 UAL 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.
- 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.
- 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.
- 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;
- 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 Ultaranchal.
- 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 C auses 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.
- 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.
- 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		Numb	er of Shares he	eld 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)	1	-	-	-	
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	, ,		-	- 1	-
10	Shri S. C. Bhargava	2,000	-			
11	Shri B.K. Goswami			177-1		_
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(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	- ,	- 1	-
5	Ms.Manju Sharma (Wholè-time)	5,900	- 600	-	-	
6	Shri P. K. Jain	2,705,500	30,430		- 1	-
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	-	2		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	-		068,8

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

S.No.	Name of Directors		Numl	oer of Shares	held in	
		JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma	1,000	1	-	T . ]	_
2	Shri Sunny Gaur	158,250	447	-	T - 1	-
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		٠.	- 1	-
7	Shri Rahul Kumar	84,500	16,000	-	-	
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	-	- 1	-
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 hel	d 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	- 1	-	-	-
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 he	eld 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	-	- 1	-
3	Shri Sameer Gaur	117,650	138	-	-	•
4	Shri Ranvijay Singh	1,983,810	200	-	- 1	_
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

<sup>\*</sup>since reuls 2.1.

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 MERGE			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				110	32,00,00,700	37.31
	(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 C9-02-2009 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/[Rajiv Gupta]
ADVCATE
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 & Credito's 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

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	
		Shareholder(s)/Creditor(s) of Jaypee Hotes Ltd., the Applicant
Mr./ Cre 201 with app App adjo	mpany abovenamed, hereby appoint Mr./Ms	four proxy to act for me/us at the meeting of the Shareholders/ tute of Information Technology University, A-10, Sector 62, Noida- the purpose of considering, and if thought fit, approving, with or appanies with the Transferee Company as named above and also as relating to creation of Trust in respect of the shares held by the auses 5.02 to 5.05 of the Scheme, and at such meeting and any tiere, if "for", insert "for" and if "against", insert "against" the said
	ted thisday of 2009	Revenue Stamp
	me & address	of Re.1.00
	me & address	
Not	te: The Proxy must be returned so as to reach the Registered Office of the Com Iding of the meeting.	pany not less than 48 (Forty Eight) hours before the time fixed for
	JAYPEE HOTELS LIN Attendance Slip (Entranc	
i h Info	nereby record my presence at the meeting of the Shareholders/Creditors of Ja ormation Technology University, A-10, Sector 62, Noida 201307 (UP), INDIA	on Saturday, the Zoth March, 2009 atandpint
Fu	ıll NameSignature	
	only Shareholders/Creditors or their Proxies are allowed to attend)	

ASS A STANDARD THE STANDARD CONTROL OF THE STANDARD CO

If undelivered please return to:

JAYPEE HOTELS LIMITED

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

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(A) 对于安

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

JAIPRAKASH ASSOCIATES LIMITED
 having its registered office at

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

.... Transferee Company

 JAYPEE HOTELS LIMITED having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

Transferor Company No. 1

JAYPEE CEMENT LIMITED
 having its registered office at
 5 Park Road, Hazratganj, Lucknow 226 001

... Transferor Company No. 2

JAIPRAKASH ENTERPRISES LIMITED having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).

... Transferor Company No. 3

 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, 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 requested to attend.

Sector 62, NOIDA- 201307 (UP), INDIA on SATURDAY, the 28th March, 2009 at 2.30 PM, when you are

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

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 JRA INATH NI SHUKI A)

[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
- 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]

JAIPRAKASH ASSOCIATES LIMITED
[TRANSFEREE COMPANY]

#### PART - I - INTRODUCTION

- 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.
- 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.
- 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 'Uttra 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 Ultar 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 Ultrakhand, 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 inforce.
- 2.02 "Appointed Date" shall mean `1st of April 2008'.
- 2.03 "Board of Directors" in relation to respective Transferor Companies and/or Transferoe 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
- 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, Lücknow 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.

	ART - (II - CAPITAL STRUCTURE AND FINANCIAL POS 01 CAPITAL STRUCTURE :	ITION			( Ås. In lakhs) is at 31-3-2008
-	The authorized, issued, subscribed and paid up on Company and the Transferor Companies as paravailable Balance Sheets as at 31st March, 2008	er their recognitive last	JAL [TRANSFEREE COMPANY]: ASSETS:		is at 31-3-2008
J	AL [Transferee Company]:	are as under –	Fixed Assets (WDV) Investments	4 - 42 4 - 4	793,052 322,483
	UTHORISED CAPITAL:		Deferred Tax Assets Current Assets, Loans & Advances :	596,293	1,149
5,	15,00,00,000 Equity Shares of Bs 2 each	Rs. 10,300,000,000	Less Current Liabilities & Provisions Misc. Expenditure not w/off	365,514	230,779 10
	0,00,000 Preference Shares of Rs. 100 each	300,000,000	TOTAL		1,347,473
		10,600,000,000	SOURCES OF FUNDS: Share Capital		
11	SUED, SUBSCRIBED AND PAID UP CAPITAL: 17,15,22,417 Equity Shares of Rs. 2 each fully		Reserves and Surplus		23,430 396,520
pa	aid up	2,343,044,834	Equity Warrants Loans		39,850
(H Da	lowever, as on 31-10-2008, (being the Valuation ate), the Paid up Capital stood increased to		Secured Unsecured	464,030 366,528	830,558
Rs	s.236,75,05,236 divided into 118,37,52,618 Equity hares of Rs.2 each on account		Deferred Tax Liability		57,115
of	conversion of FCCBs/Warrants).		TOTAL		1,347,473
Jŀ	IL [TRANSFEROR COMPANY No. 1]:		JHL [TRANSFEROR COMPANY No. 1]: ASSETS:	1 1 8.2	
· AL	JTHORISED CAPITAL:		Fixed Assets (WDV) Capital Work-in-progress		20,154
59 10	,000,000 Equity shares of Rs. 10 each 0,000 Preference Shares of Rs. 100 each	590,000,000	Investments	***	138 72
	TAL TALL	10,000,000	Current Assets, Loans & Advances : Less Current Liabilities & Provisions	16,031 15,906	125
IS	SUED, SUBSCRIBED AND PAID UP CAPITAL:		TOTAL		20,489
55	,490,000 Equity Shares of Rs. 10 each	554,000,000	SOURCES OF FUNDS: Share Capital		
JC	L [TRANSFEROR COMPANY No. 2]:	554,900,000	Reserves and Surplus Loans –		5,549 8,786
			Secured	21,51	
500	THORISED CAPITAL : 0,000,000 Equity shares of Rs. 10 each	_5,000,000,000	Unsecured Deferred Tax Liability	20	2,171 3,983
188	SUED, SUBSCRIBED AND PAID UP CAPITAL:		TOTAL		20,489
355	5,950,700 Equity Shares of Rs. 10 each y paid up	3,559,507,000	JCL [TRANSFEROR COMPANY No. 2]: ASSETS:		
(Ho	owever, as on the Valuation Date, the Authorized	3,559,507,000	Fixed Assets (WDV)		246
(H)	oital stood increased to Rs.1000 Crores, divided into O Crore Equity Shares of Rs.10 each and the Paid		Investments Current Assets, Loans & Advances :	91	37,390
UΡ	Capital stood at Rs.5.060.507 000 divided into		Less Current Liabilities & Provisions Misc. Expenditure	197	(106)
	0,050,700 Equity Shares of Rs.10 each).		TOTAL		200 37,730
	[TRANSFEROR COMPANY No. 3]:		SOURCES OF FUNDS: Share Capital	•	
29,8	THORISED CAPITAL: 300,000 Equity shares of Rs. 10 each	000 000 000	Share Application Money		35,595 2,110
20,0	000 9% Cumulative Preference Shares	298,000,000	Reserves and Surplus TOTAL	•	25
TOT		2,000,000 300,000,000	JEL [TRANSFEROR COMPANY No. 3]:		37,730
ISS	UED, SUBSCRIBED AND PAID UP CAPITAL:		Fixed Assets (WDV)		1,285
26,7	700,000 Equity Shares of Rs. 10 each	· .	Capital Work-in-progress Investments		50
•	CL [THANSFEROR COMPANY No. 4]:	267,000,000	Current Assets, Loans & Advances : Less Current Liabilities & Provisions	7,440	5,618
AUT	HORISED CAPITAL:		Deferred Tax Liability	7,723	(283) (71)
350,	.000,000 Equity shares of Rs. 10 each	3,500,000,000	TOTAL SOURCES OF FUNDS		6,599
ISS(	JED, SUBSCRIBED AND PAID UP CAPITAL: 975,070 Equity Shares of Rs. 10 each		Share Capital Reserves and Surplus		2,670
fully	paid up	3,339,750,700	TOTAL		3,929
(Hov	vever, as on the Valuation Date, the Paid up		GACL [TRANSFEROR COMPANY No. 4]:	-	6,599
349,	ital stood increased to Rs.3,499,750,700 divided into 975,070 Equity Shares of Rs.10 each).		ASSETS : Fixed Assets (WDV)		1,685
3.02		k Exchange and the	Capital Work-in-progress Incidental Expenses during construction		68,478
	Bombay Stock Exchange. The equity shares of JHL Stock Exchange. The shares of JEL are listed on Del	hi and Litter Predoch	Investments Current Assets, Loans & Advances:	E 100	6,376 1,901
	Stock Exchanges. The shares of JCL and GACL a stock exchange.	re not listed on any	Less Current Liabilities & Provisions Misc. Expenditure	5,162 7,245	(2,083)
3.03	FINANCIAL POSITION:	a e di	TOTAL		179 76,536
	The audited accounts of the Transferee Company	and the Transferor	SOURCES OF FUNDS:	-	
	Companies have been presented to their respective st financial year ended on 31-3-2008. The summarized	financial position of	Share Capital Share Application Money		33,398 3,183
	the these companies as per the above latest Aud under:	ited Accounts is as	Reserves and Surplus Loan Funds (Secured)		6 39,949
		3	TOTAL		76,536
	•	<u> </u>			<del>-</del>

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 crinstrument 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.
- With effect from the Appointed Date and upon this scheme coming into 4.02 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 Trensferor 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 w thout 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 theretc.
- 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 alreacy 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 Transferoe 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 Transferor 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.
- Insofar as the equity shares of JAL & JHL, if any, held by JEL are 5.02 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 Aliahabad 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.
- 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.
- 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 part 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 n 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(18) of the Income Tax Act, 1961.
- 6.04 The "ransferor 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 there with (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 Transferoe 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:
  - 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 Ail 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 Transfero 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

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

JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "JAL")

2. JAYPEE HOTELS LIMITED having its registered office a Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. (Also referred to hereinafter as "JHL")

3. JAYPEE CEMENT LIMITED having its registered office at 5 Park Road, Hazratganj,

Lucknow 226 001.
(Also referred to hereinafter as "JCL")

JAIPRAKASH ENTERPRISES LIMITED 4 having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JEL")

GUJARAT ANJAN CEMENT LIMITED 5 having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "GACL")

- 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.
- The above Scheme of Amalgamation has been approved by the respective 2 Board of Directors of the Applicant Companies at their meeting duly convened and held on 22<sup>nd</sup> December 2008.
- Reg. TRANSFEREE COMPANY:

# [JAIPRAKASH ASSOCIATES LIMITED]

- 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.
- The registered office of the Company is situated at Sector 128, NOIDA in the district of Gautam Buddha Nagar, U.P. (ii)
- The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under --

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

10,300,000,000 300,000,000 10,600,000,000 Transferee Company

Transferor Company No. 1

Transferor Company No. 2

Transferor Company No. 3

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

- 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 Hs. In Lacs
ASSETS		ns. in caes
Fixed Assets (WDV)		793,052
Investments		322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Adva	nces: 596,2	
Less Current Liabilities & Prov		
Misc. Expenditure not w/off	1010110 000,4	10
TOTAL		
TOTAL	**	1,347,473
SOURCES OF FUNDS:		to the
Share Capital	the facilities of the	23,430
Reserves and Surplus	10 to	
Equity Warrants	to kind the production of	39,850
Loans	the second second	
Secured	464.03	30 .
Unsecured	366,52	28 830,558
Deferred Tax Liability	<del></del>	57,115
TOTAL	r Visit	1,347,473
		1,0,7,7,770

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.

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

- 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.
- The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh
- 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 100,000 Preference Shares of Rs. 100 each

590,000,000 10,000,000 600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 55,490,000 Equity Shares of Rs. 10 each

554,900,000

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

- 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.
- The objects of the Company are set out in the Objects Clause of the (v) Memorandum of Association. It is presently engaged in the business of Hospitality, Real Estate and Civil Engineering Construction.
- 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.
- 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 summa ized financial position of the company as per the latest Audited Accounts is as under:

•	As on	31-03-2008
A contract of the contract of		Rs. In Lacs
ASSETS:		
Fixed Assets (WDV)	1	20,154
Capital Work-in-progress	the second of the second	138
Investments		72
Current Assets, Loans & Advances :	16,031	
Less Current Liabilities & Provisions	15,906	125
TOTAL		20,489
	N. Committee	20,700
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
	1 .	20,400

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

## Reg. TRANSFEROR COMPANY No. 2:

#### [JAYPEE CEMENT LIMITED]

- 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.
- The registered office of the Company is situate at 5 Park Road, (ii) Hazratgani, Lucknow 226 001
- The Authorized and Issued, Subscribed and Paid up Capital of the (iii) Company has been as under

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

As on 31-03-2008

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

- 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.
- 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.
- 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.
- 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

	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
7077.2	07,700
SOURCES OF FUNDS:	
Share Capital	35,595
Share Application Money	2,110
Reserves and Surplus	. 25
TOTAL.	27 720
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.

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

- 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 'Uttra 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.
- The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under

As on 31-03-2008 Rs.

AUTHORISED CAPITAL:

fully paid up

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

298,000,000 2,000,000

300,000,000

TOTAL ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

26,700,000 Equity Shares of Rs. 10 each 267,000,000

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

- 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.
- 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.
- 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:

ASSETS:		-03-2008 . In Lacs
Fixed Assets (WDV)	2.5	1,285
Capital Work-in-progress		50
Investments Current Assets, Loans & Advances:	7.40	5,618
	7,440	
Less Current Liabilities & Provisions	7,723	(283)
Deferred Tax Liability		(71)
TOTAL		6,599
SOURCES OF FUNDS:		
Share Capital	and the second	2.670
Reserves and Surplus	1 1	3,929
TOTAL	7.3	
. –'		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.

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

- 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.
- The registered office of the Company is situate at Sector -128, NOIDA (ii) in the district of Gautam Buddha Nagar.
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under --

As on 31-03-2008

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.

- 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.
- The objects of the Transferor Company are set out in the Objects (v) 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.
- The audited accounts of the Company have been presented to the (vii) 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
ASSETS:	Rs. In Lacs
Fixed Assets (WDV)	1.005
Capital Work-in-progress	1,685
	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
September 1997 and the	70,536
SOURCES OF FUNDS:	
Share Capital	33,397
Share Application Money	3,183
Reserves and Surplus	
Loan Funds (Secured)	6
	39,950
TOTAL	76,536
tern .	

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.

- The main provisions of the proposed Scheme of Amalgamation are stated
- [Para numbers are as assigned in the Scheme] "Appointed Date" shall mean `1st of April 2008'.
- "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.
- 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.
- 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
- 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.
- iii) 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,
- 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 Transferoe Company without any further act or deed. The filling 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 Transferoe Company on the combined Authorised Share Capital and accordingly, the Transferoe 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 Transferoe Company under Section 94 and other applicable provisions of the Act. The Clause V of the Memorandum of Association of the Transferoe 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
- 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;
- iii) 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, thereor.) 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.
- 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.
- 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.
- .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 Transferoe 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 Transferoe 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 detetion 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 Arnalgamation.
- 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 penefit of the Transferee Company, being successor of the Transferor Companies.
- O. 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 L miled, 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.
- 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.

 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	, '	Numbe	r of Shares h	eld in	
		JÁL	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)	-	- 1	-	-	-
6 、	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-	-	
7	Shri K.P. Rau (IDBI Nominee)		-	-	-1	-
8	Shri Gopi K Arora	_	-	-	-	
9	Shri R.N. Bhardwaj	-	-	-		.•
10	Shri S. C. Bhargava	2,000		-:	_	-
11	Shri B.K. Goswami	· . · · · <u>-</u>		-		· · -
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		٠ -	-	· -	
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		Numbe	r of Shares held	d 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	T		·
3	Shri Ravi Sreen, MD	12,160	6,000	<del>                                     </del>		
4	Shri Manoj Gaur	50,000	24,600	<del>                                     </del>	-	<del></del>
5	Ms.Manju Sharma (Whole-time)	5,900	600	-		<del></del>
6	Shri P. K. Jain	2,705,500	30,430			<u> </u>
7	Ms.Rita Dixit	12,500	<del> </del>			
8	Shri R N Bhardwaj	12,500	45,000			
9	Shri Gunjit Singh	10 500	<del></del>	-		· · ·
10	Shri S. K. Bansal	10,500	<u> </u>			
11	Shri B. K.Taparia	67,480	-	-	-	1,900
12	Shri Harish K, Vajd		•	-	-	
13	Ms.Sunita Joshi	56,620	1,000	-	-	1,900
14	Shri K Subramaniam	1,686,000	-	-		
15	Shri S K Chakraborty	- 1	-	- 1		-
10		<i>.</i>	-	-	-	
	TOTAL	4,607,910	291,024	1	-	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		<del>                                     </del>			
2	Shri Sunny Gaur	158,250	447		<del></del>	<u>-</u>		
3	Shri P. V. Vora	2,102,750	1,000		<del>                                     </del>			
4	Shri Pankaj Gaur	100,000	4,500					
5	Shri SC Bhargava	2,000	1,000			<del></del>		
6	Shri Rakesh Sharma	12,375		<u> </u>				
7	Shri Rahul Kumar	84,500	16,000					
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	·	-	<del>-</del>		
9	Shri Harish K Vaid	56,620	1,000	<u>-</u>	<del> </del>			
10	Shri Vijai Kumar Jain	6,560	1,000	- ···		1,900		
11	Shri R B Singh		-		40,000	1,900		
	TOTAL	1,000	-	-	40,000	1,900		
	IVIAL	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	2,700,500	30,430	-			
5	Shri S C Bhargava	2,000					
6	Shri Gunjit Singh	10,500	<u> </u>		-		
	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			<del>-</del>		
4	Shri Ranvijay Singh	1,983,810	200		<u> </u>			
5	Shri Harish K Vaid	56,620	1,000		l	1.900		
6	Shri Alok Gaur (Whole-time)	-			13,000	1,900		
	TOTAL	4,310,830	26,938	<u> </u>	13,000	3,800		

<sup>\*</sup>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	and the second second		POSTMERGER	
		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 Tebentures 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 preditors [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 Transferoe 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 Compary 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., Transferere 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

- 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., Chanered 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/-[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	r, (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, (U	JP).	Transferor Company No. 3
5.	GUJARAT ANJAN CEMENT LIMITED having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (L	JP)	Transferor Company No. 4
		`	APPLICANTS
	FC	ORM OF PROXY	
Con Mr./i Cred 2013 with appr App	npany abovenamed, hereby appoint Mr./Ms.  Ms	as my/our proxys of Jaypee Institute of Info A.M./P.M., for the purpos Transferor Companies wire roposed provisions relating in terms of Clauses 5.02 (here, if "for	ormation Technology University, A-10, Sector 62, Noida- se of considering, and if thought fit, approving, with or ith the Transferee Company as named above and also to creation of Trust in respect of the shares held by the to 5.05 of the Scheme, and at such meeting and any ", insert "for" and if "against", insert "against" the said
	ed thisday of 2009		•
	nature		Revenue Stamp
	ne & addresso No./Client ID No		of Re.1.00
Note	e: The Proxy must be returned so as to reach the Registered O ling of the meeting.	ffice of the Company not le	ess than 48 (Forty Eight) hours before the ti 3 fixed for
	*****	E HOTELS LIMITED ce Slip (Entrance Pass)	
Info	reby record my presence at the meeting of the Shareholders rmation Technology University, A-10, Sector 62, Noida – 20130	Creditors of Jaypee Hote 77 (UP), INDIA on Saturd	els Limited held at the premises of Jaypee Institute of lay, the 28th March, 2009 atam/pm.
Full	NameSignature		
	ly Shareholders/Creditors or their Proxies are allowed to attend		
*	•	N. Committee of the Com	

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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 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

	having its registered office at Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UF	<b>?</b> ).	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

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#### **CREDITORS OF JAYPEE CEMENT LIMITED**

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 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, Hazratgani, 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

[ RAJÍV GUPTA]
Advocate

... APPLICANTS

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

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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 - 1 - INTRODUCTION

- .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.
- 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.
- 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 'Uttra 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 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 Transferoe 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 cert fied 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 ir 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,
  - Jaypae 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.

<b>PART</b> 3.01	- III - CAPITAL STRUCTURE AND FINANCIAL POSITION	NO	٠.			Rs. In lakhs) at 31-3-2008
	The authorized, issued, subscribed and paid up cap	ital of the Transferee		JAL [TRANSFEREE COMPANY]:		
	Company and the Transferor Companies as per			ASSETS:		
	available Balance Sheets as at 31st March, 2008 are	e as under –	. 5	Fixed Assets (WDV)		793,052
IAI FI	ransferee Company] :		<i>a</i>	Investments Deferred Tax Assets		322,483
		•		Current Assets, Loans & Advances:	596,293	1,149
AUTH	ORISED CAPITAL:	Do		Less Current Liabilities & Provisions	365,514	230,779
5.15.0	0,00,000 Equity Shares of Rs. 2 each	Rs. 10,300,000,000	-	Misc. Expenditure not w/off		10
	000 Preference Shares of Rs. 100 each	300,000,000		TOTAL		1,347,473
TOTAL		10,600,000,000				1,047,470
IOIA		10,000,000,000		SOURCES OF FUNDS: Share Capital		00.400
ISSUE	D, SUBSCRIBED AND PAID UP CAPITAL:			Reserves and Surplus		23,430 396,520
117,19	5,22,417 Equity Shares of Rs. 2 each fully			Equity Warrants		39,850
paid u	0	2,343,044,834		Loans -		,
· /Llouis	ver on an St. 10 2000, /heine the Valuation	•		Secured	464,030	
Date).	ver, as on 31-10-2008, (being the Valuation the Paid up Capital stood increased to	,		Unsecured	366,528	830,558
Rs.23	5,75,05,236 divided into 118,37,52,618 Equity			Deferred Tax Liability	-	57,115
Share	s of Rs.2 each on account			TOTAL	• •	1,347,473
of con	version of FCCBs/Warrants).			JHL [TRANSFEROR COMPANY No. 1]:		
ILII - PT	RANSFEROR COMPANY No. 1]:			ASSETS:		
OUTE	TRAIS ENON COMEMNE NO. [];			Fixed Assets (WDV)		20,154
AUTH	ORISED CAPITAL:			Capital Work-in-progress		138
59,000	0,000 Equity shares of Rs. 10 each	590,000,000		Investments	•	72
100,00	00 Preference Shares of Rs. 100 each	10,000,000		Current Assets, Loans & Advances :	16,031	
TOTAL	•	600,000,000		Less Current Liabilities & Provisions	15,906	125
100:1	TO ALIBOADIDED AND BAID OF A TOTAL	· · · · · · · · · · · · · · · · · · ·	٠.	TOTAL	100	20,489
	D, SUBSCRIBED AND PAID UP CAPITAL:	4		SOURCES OF FUNDS:		
fully p	0,000 Equity Shares of Rs. 10 each	554,900,000	•	Share Capital	*	5,549
iony p		334,300,000		Reserves and Surplus	•	8,786
JCL[T	RANSFEROR COMPANY No. 2]:			Loans –		
				Secured Unsecured	21,51 20	0.171
	ORISED CAPITAL:			Deferred Tax Liability		2,171 3,983
500,00	0,000 Equity shares of Rs. 10 each	5,000,000,000				
ISSUE	D, SUBSCRIBED AND PAID UP CAPITAL:	*		TOTAL		20,489_
	0,700 Equity Shares of Rs. 10 each	1		JCL[TRANSFEROR COMPANY No. 2]:		
fully p		3,559,507,000		ASSETS:		
		<del></del>		Fixed Assets (WDV)		246
(Howe	ver, as on the Valuation Date, the Authorized			Investments		37,390
	I stood increased to Rs.1000 Crores, divided into	• •		Current Assets, Loans & Advances : Less Current Liabilities & Provisions	91	(400)
	rore Equity Shares of Rs.10 each and the Paid pital stood at Rs.5,060,507,000 divided into			Misc. Expenditure	197	(106) 200
	0,700 Equity Shares of Rs.10 each).					
		<i>p</i>		TOTAL		37,730
JEL[T	RANSFEROR COMPANY No. 3]:			SOURCES OF FUNDS :		
ALITER	ODIOED CARITAL			Share Capital		35,595
	ORISED CAPITAL: 0,000 Equity shares of Rs. 10 each	000 000 000		Share Application Money Reserves and Surplus		2,110 25
	9% Cumulative Preference Shares	298,000,000		TOTAL	er en	
	100 each	2,000,000		JEL [TRANSFEROR COMPANY No. 3]:	3 4 5 5	37,730
TOTAL		300,000,000				
		000,000,000		ASSETS : Fixed Assets (WDV)		1;285
	D, SUBSCRIBED AND PAID UP CAPITAL:			Capital Work-in-progress	The second of the second	1,285 50
	0,000 Equity Shares of Rs. 10 each			Investments		5,618
fully p	aid up	267,000,000		Current Assets, Loans & Advances :	7,440	
GACI	[TRANSFEROR COMPANY No. 4]:			Less Current Liabilities & Provisions	7,723	(283)
				Deferred Tax Liability		(71)
	ORISED CAPITAL: 0,000 Equity shares of Rs. 10 each	3,500,000,000		TOTAL	•	6,599
330,00	Signal Equity Gridios Of Fig. 10 60011	5,500,000,000		SOURCES OF FUNDS:	and the second	
ISSUE	D, SUBSCRIBED AND PAID UP CAPITAL:	4		Share Capital	and the second	2,670
333,97	5,070 Equity Shares of Rs. 10 each	•		Reserves and Surplus	:	3,929
fully p	ald up	3,339,750,700		TOTAL	٠.	6,599
(House	wer as on the Valuation Date the Baid on	_		GACL [TRANSFEROR COMPANY No. 4]:		
	ver, as on the Valuation Date, the Paid up I stood increased to Rs.3,499,750,700 divided into			ASSETS:	and the second	
	5,070 Equity Shares of Rs.10 each).	•		Fixed Assets (WDV)	100	1,685
3.02	The equity shares of JAL are listed on National Stor	k Exchange and the		Capital Work-in-progress Incidental Expenses during construction		68,478 6 276
J.VL	Bombay Stock Exchange. The equity shares of JHL			Investments		6,376 1,901
	Stock Exchange. The shares of JEL are listed on Del			Current Assets, Loans & Advances :	5,162	1,501
	Stock Exchanges. The shares of JCL and GACL a			Less Current Liabilities & Provisions	7,245	(2,083)
	stock exchange.			Misc. Expenditure		179
0.00	EINANCIAL DOCITION			TOTAL		76,536
3.03	FINANCIAL POSITION:			SOURCES OF FUNDS:		
	The audited accounts of the Transferee Company		-	Share Capital		33,398
	Companies have been presented to their respective s financial year ended on 31-3-2008. The summarized			Share Application Money		3,183
				D		6
	the these companies as per the above latest Aug			Reserves and Surplus		-
				Loan Funds (Secured)		39,949
. •	the these companies as per the above latest Aud	dited Accounts is as	3		2 . 1	-

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
- 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:
  - 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 ceemed to have been raised, used, incurred or undertaken for and cn 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 beer 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 e igible, 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) Al 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 and 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,
  - 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.

- (iii) 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 filling 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 Transferor 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.
- 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.
- 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 ileu 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.
- 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 Transferoe 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.
  - 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 :

- (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;
  - (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 I Ittaranchal
- 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 nourred 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 complation 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

- JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JAL")
- 2. JAYPEE HOTELS LIMITED having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. (Also referred to hereinafter as "JHL")
- JAYPEE CEMENT LIMITED 3. having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001. (Also referred to hereinafter as "JCL")
- JAIPRAKASH ENTERPRISES LIMITED 4. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JEL")
- **GUJARAT ANJAN CEMENT LIMITED** 5. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "GACL")
- The above-named Companies have moved a Company Application, being Company Application No. 03 of 2009 in the Honble 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 22<sup>nd</sup> December 2008.
- Reg. TRANSFEREE COMPANY:

#### [JAIPRAKASH ASSOCIATES LIMITED]

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

Transferee Company

Transferor Company No. 1

Transferor Company No. 2

Transferor Company No. 3

Transferor Company No. 4

#### ..... APPLICANTS

2,343,044,834

ISSUED, SUBSCRIBED AND PAID UP CAPITAL:

117,15,22,417 Equity Shares of Rs. 2 each

fully paid up

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
ASSETS		Rs. In Lacs
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
COLUDOFO OF FUNDO		
SOURCES OF FUNDS: Share Capital		
Reserves and Surplus		23,430
Equity Warrants		396,520 39,850
Loans -		39,000
Secured	464,030	
Unsecured	366,528	830,558
Deferred Tax Liability		57,115
TOTAL	15	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.

# . 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 100,000 Preference Shares of Rs. 100 each TOTAL

590,000,000 10,000,000 600,000,000

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 Transferoe 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, Réal 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:

		31-03-2008 Rs. In Lacs
ASSETS:		
Fixed Assets (WDV)		20,154
Capital Work-in-progress Investments		(5) 138 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 . Loans –		8,786
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:

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 Distt Bhui, 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

ACOFTO			110. 111 2000
ASSETS:		5 Sec. 19 1.	4.0
Fixed Assets (WDV)	-21	w.f	. 246
Investments			37,390
Current Assets, Loans & A	dvances:	~ * 91	
Less Current Liabilities & P	rovisions	197	(106)
Misc. Expenditure			200
TOTAL			37,730
00110000 00 0111100			
SOURCES OF FUNDS:			
Share Capital			35,595
Share Application Money		-	2.110

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]

Reserves and Surplus

TOTAL

- (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 'Uttra-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

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

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

#### 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.
- 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 O	n 31-03-2008
100570		Rs. In Lacs
ASSETS:		
Fixed Assets (WDV)	1	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)		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.

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

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

[Para numbers are as assigned in the Scheme]

- 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 adventising 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 turner 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 data.

(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,

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 end 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.

The Authorised Snare 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 shousand Five Hundred Crores only) divided into 1234,40,00,000 Equity Shares of Rs.2/- each and 31,20,000 Preference Shares of Ps.100/- each."

1.14 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 must 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 Transferor 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.
- 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 Aliahabad 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.
- 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 applicancy, 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 entitlems 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.
- 5.01 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;
- 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 filled 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, 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
  - 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.
  - 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.
- 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 ilmestone mines, Real Estate and factory premises at Sikandarabad (near Delhi) which is proposed to be used for setting up a Clinker Grinding Libit

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 votatitity 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				
5,, 10.		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	<u> </u>		
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)	• .	<u>-</u>	-	<u>-</u>	
6	Shri M. J. Subbaiah (ICICI Nominee)	5,000	2,000	-		
7	Shri K.P. Rau (IDBI Nominee)	-	•			
8	Shri Gopi K Arora	-	-	-	-	<u> </u>
9	Shri R.N. Bhardwaj	<u>-</u>				
10	Shri S. C. Bhargava	2,000	-	- ^	-	
11	Shri B.K. Goswami			-		
12	Shri S. C. Gupta	_	<u> </u>	-	-	
13	Dr. E.R.C. Shekar*	-	-	***		- 4 000
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(Constn.)	100,000	4,500		-	<del></del>
18	Shri R. K. Singh (Whole-time)	-		<del></del>		
19	Shri Ranvijay Singh (Whole-time)	1,983,810	200		-	1,900
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327			
	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				
<u>·</u>		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	-		<u>-</u> _	
5	Ms.Manju Sharma (Whole-time)	5,900	600			<del> </del>	
6	Shri P. K. Jain	2,705,500	30,430	-			
7	Ms.Rita Dixit	12,500	45,000		<del></del>	·	
8	Shri R N Bhardwaj		- 10,000		·		
9	Shri Gunjit Singh	10,500			<del></del>		
10	Shri S. K. Bansal	67,480		·			
11	Shri B. K.Taparia	- 07,788		-		1,900	
12	Shri Harish K, Vaid	56,620	1,000	-			
13	Ms.Sunita Joshi	1,686,000	· · · · · · · · · · · · · · · · · · ·			1,900	
14	Shri K Subramaniam	1,000,000					
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.	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	4			
3	Shri P. V. Vora	2,102,750	1,000			<u> </u>	
4	Shri Pankaj Gaur	100,000	4,500				
5	Shri SC Bhargava	2,000	1,000				
6	Shri Rakesh Sharma	12,375	_				
7	Shri Rahul Kumar	84,500	16,000	<u> </u>		-	
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200		<del></del>		
9	Shri Harish K Vaid	56,620	1,000			1 000	
10	Shri Vijai Kumar Jain	6,560	1,000	-	40.000	1,900	
11	Shri R B Singh	1,000			40,000	1,900	
	TOTAL	4,511,145	23,148	-	40,000 · 80.000	1,900 <b>5,700</b>	

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

S.No.	Name of Directors	me 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		_,,	00,100			
5	Shri S C Bhargava		2,000				·
6	Shri Gunjit Singh		10,500	<u>_</u>			
	TOTAL		2,773,155	133,960		-	<u>-</u>

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

S.No.	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	-	<u> </u>	
3	Shri Sameer Gaur	117,650	138	-	i .	· · · · · · · · · · · · · · · · · · ·
4	Shri Ranvijay Singh	1,983,810	200	-		
5	Shri Harish K Vaid	56,620	1,000	_	<del></del>	1,900
6	Shri Alok Gaur (Whole-time)	-	- 1,000	-	13,000	1,900
	TOTAL	4,310,830	26,938	, •	13,000	3,800

<sup>\*</sup>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		POSTMERGER	
		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 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. ard 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 t'll 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
  - (iii) Copies of published Audited Accounts of all the Applicant Companies for the financial year ended on 31<sup>st</sup> March, 2008
  - (iv) Memorandum & Articles of Association of all the Applicant Companies
  - (v) Valuation Report submitted by Bansi S. Mehta & Co., Chartered Accountants. Mumbal
  - (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/[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
<b>3.</b> ,	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	·
		•
Mr.// said IND prop mod each for r mod	venamed, hereby appoint Mr./Ms	our proxy to act for me/us at the meeting of the Creditors of the on Technology University, A-10, Sector 62, Noida-201307 (UP), and, and if thought fit, approving, with or without modification, the company as named above and also approving, with or without rust in respect of the shares held by the Applicant Companies in theme, and at such meeting and any adjournment thereof, to vote
	ed thisday of 2009	Revenue Stamp
Sigi	naturenature	·
	ne & address o No./Client ID No	of Re.1.00
Note	e : The Proxy must be returned so as to reach the Registered Office of the Compling of the meeting.	any not less than 48 (Forty Eight) hours before the time fixed for
	JAYPEE CEMENT LIMI Attendance Slip (Entrance	
l he	ereby record my presence at the meeting of the Creditors of Jaypee Cement chology University, A-10, Sector 62, Noida-201307 (UP), INDIA on Sunday, the	Limited held at the premises of Jaypee Institute of Information 29th March, 2009 at 10.30 a.m.
Ėœ	Name Signature	
(On	ly 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

JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

.... Transferee Company

JAYPEE HOTELS LIMITED having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

... Transferor Company No. 1

JAYPEE CEMENT LIMITED having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001

Transferor Company No. 2

JAIPRAKASH ENTERPRISES LIMITED having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).

Transferor Company No. 3

**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

Advocate Chairman appointed for the Meeting

### Notes:

1. All alterations made in the form of the proxy should be initialed.

- 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.
- 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

- 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 31-2002 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.
- 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 Deihi. 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.
- 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.
- 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 'Uttra Rasayan Udyog Limited' in the National Capitial 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.
- 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 Scherne 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 Allahabac.
- 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, Hazratgani, 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 POSIT 3.01 CAPITAL STRUCTURE:	ION			t 31-3-2008
The authorized, issued, subscribed and paid up ca	pital of the Transferee	JAL [TRANSFEREE COMPANY]:		
Company and the Transferor Companies as per	their respective last	ASSETS:		700.050
available Balance Sheets as at 31st March, 2008 a	re as under	Fixed Assets (WDV) Investments		793,052 322,483
JAL [Transferee Company] :		Deferred Tax Assets		1,149
AUTHORISED CAPITAL:		Current Assets, Loans & Advances:	596,293	
AUTHORISED CAPITAL.	. Rs.	Less Current Liabilities & Provisions	<u>365,514</u>	230,779 10
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000	Misc. Expenditure not w/off		
30,00,000 Preference Shares of Rs. 100 each	300,000,000	TOTAL	-	1,347,473
TOTAL	10,600,000,000	SOURCES OF FUNDS: Share Capital	4	23,430
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		Reserves and Surplus	• •	396,520
117,15,22,417 Equity Shares of Rs. 2 each fully	0.040.044.004	Equity Warrants		39,850
paid up	2,343,044,834	Loans – Secured	464,030	
(However, as on 31-10-2008, (being the Valuation		Unsecured	366,528	830,558
Date), the Paid up Capital stood increased to		Deferred Tax Liability		57,115
Rs.236,75,05,236 divided into 118,37,52,618 Equity Shares of Rs.2 each on account	•	TOTAL		1,347,473
of conversion of FCCBs/Warrants).		JHL [TRANSFEROR COMPANY No. 1]:		
*** **********************************	•	ASSETS:		-
JHL [TRANSFEROR COMPANY No. 1]:		Fixed Assets (WDV)		20,154
AUTHORISED CAPITAL:		Capital Work-in-progress Investments	•	138 72
59,000,000 Equity shares of Rs. 10 each	590,000,000 10,000,000	Current Assets, Loans & Advances :	16,031	
100,000 Preference Shares of Rs. 100 each		Less Current Liabilities & Provisions	15,906	125
TOTAL	600,000,000	TOTAL		20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		SOURCES OF FUNDS:		
55,490,000 Equity Shares of Rs. 10 each	554,900,000	Share Capital		5,549
fully paid up	554,900,000	Reserves and Surplus Loans –		8,786
JCL [TRANSFEROR COMPANY No. 2]:		Secured	21,51	
ALITICODICED CADITAL	•	Unsecured	20	2,171
AUTHORISED CAPITAL: 500,000,000 Equity shares of Rs. 10 each	5,000,000,000	Deferred Tax Liability		3,983
		TOTAL		20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 355,950,700 Equity Shares of Rs. 10 each	*	JCL[TRANSFEROR COMPANY No. 2]:		
fully paid up	3,559,507,000	ASSETS:		040
	· · · · · · · · · · · · · · · · · · ·	Fixed Assets (WDV) Investments		246 37,390
(However, as on the Valuation Date, the Authorized Capital stood increased to Rs.1000 Crores, divided into	•	Current Assets, Loans & Advances :	91	01,000
100 Crore Equity Shares of Rs.10 each and the Paid		Less Current Liabilities & Provisions	. 197	(106)
Up Capital stood at Rs.5,060,507,000 divided into		Misc. Expenditure		200
506,050,700 Equity Shares of Rs.10 each).		TOTAL		37,730
JEL [TRANSFEROR COMPANY No. 3]:		SOURCES OF FUNDS:		25 505
		Share Capital Share Application Money		35,595 2,110
AUTHORISED CAPITAL: 29,800,000 Equity shares of Rs. 10 each	298,000,000	Reserves and Surplus	•	25
20,000 9% Cumulative Preference Shares		TOTAL	* * * * * * * * * * * * * * * * * * * *	37,730
of Rs. 100 each	2,000,000	JEL [TRANSFEROR COMPANY No. 3]:		
TOTAL	300,000,000	ASSETS:		1 205
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		Fixed Assets (WDV) Capital Work-in-progress		1,285 50
26,700,000 Equity Shares of Rs. 10 each		Investments		5,618
fully paid up	267,000,000	Current Assets, Loans & Advances : Less Current Liabilities & Provisions	7,440 7,723	(283)
GACL[TRANSFEROR COMPANY No. 4]:		Deferred Tax Liability		(71)
AUTHORISED CAPITAL:		TOTAL		6,599
350,000,000 Equity shares of Rs. 10 each	3,500,000,000	SOURCES OF FUNDS:	1.5	
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		Share Capital		2,670
333,975,070 Equity Shares of Rs. 10 each		Reserves and Surplus		3,929
fully paid up	3,339,750,700	TOTAL.		6,599
(However, as on the Valuation Date, the Paid up		GACL [TRANSFEROR COMPANY No. 4]	:	
Capital stood increased to Rs.3,499,750,700 divided into		ASSETS : Fixed Assets (WDV)		1,685
349,975,070 Equity Shares of Rs.10 each).	•	Capital Work-in-progress		68,478
3.02 The equity shares of JAL are listed on National S	Stock Exchange and the	Incidental Expenses during construction		6,376 - 1,901
Bombay Stock Exchange. The equity shares of JI Stock Exchange. The shares of JEL are listed on	HL are listed on National	Investments Current Assets, Loans & Advances :	5,162	1,301
Stock Exchange. The shares of JEL and GAC	L are not listed on any	Less Current Liabilities & Provisions	7,245	(2,083)
stock exchange.	· ·	Misc. Expenditure		179
3.03 FINANCIAL POSITION:		TOTAL		76,536
The audited accounts of the Transferee Comp	any and the Transferor	SOURCES OF FUNDS:		33,398
Companies have been presented to their respective	/e shareholders up to the	Share Capital Share Application Money		3,183
financial year ended on 31-3-2008. The summar	ized financial position of	Reserves and Surplus	•	6
the these companies as per the above latest under:	Audited Accounts is as	Loan Funds (Secured)		39,949
	_	TOTAL		76,536
	3			

( Rs. In lakhs)

PART-III-CAPITAL STRUCTURE AND FINANCIAL POSITION

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.
- 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:
  - 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 shal 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.

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 filling 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:

(ii)

- 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 Transferoe 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 the 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.
- 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.
- 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.
- 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.
- 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

5.02

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
  - (ii) The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly proviced 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 Eccoming 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.

- 5.03 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;
  - 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 falling 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 5-heme 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.
- 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

JAIPRAKASH ASSOCIATES LIMITED
 having its registered office at
 Sector - 128, NOIDA- 201304
 District Gautam Buddha Nagar, (UP).
 (Also referred to hereinafter as "JAL")

JAYPEE HOTELS LIMITED
 having its registered office at
 Hotel Jaypee Palace, Fatehabad Road,
 Agra, Uttar Pradesh.
 (Also referred to hereinafter as "JHL").

JAYPEE CEMENT LIMITED
 having its registered office at
 5 Park Road, Hazratganj,
 Lucknow 226 001.
 (Also referred to hereinafter as "JCL")

 JAIPRAKASH ENTERPRISES LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JEL")

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")

- 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 22<sup>nd</sup> 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, 1955, 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: P.a. 5,15,00,00,000 Equity Shares of Rs. 2 each 300,000,000 Preference Shares of Rs. 100 each TOTAL. P.a. 10,300,000,000 10,600,000,000

..... Transferee Company

... Transferor Company No. 1

... Transferor Company No. 2

.. Transferor Company No. 3

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

1,347,473

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 793,052 Fixed Assets (WDV) Investments 322,483 1.149 Deferred Tax Assets Current Assets, Loans & Advances : Less Current Liabilities & Provisions 596,293 230,779 365,414 10 Misc. Expenditure not w/off 1,347,473 TOTAL SOURCES OF FUNDS: 23,430 Share Capital 396,520 Reserves and Surplus Equity Warrants 39,850 Luaris 464,030 Secured 366,528 830,558 Unsecured 57,115 Deferred Tax Liability

TOTAL

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.

### Reg. TRANSFEROR COMPANY No. 1; [JAYPEE HOTELS LIMITED]

- 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.
- The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.
- The Authorized and Issued, Subscribed and Paid up Capital of the (iii) Company has been as under -

As on 31-03-2008

AUTHORISED CAPITAL:

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

590,000,000 10,000,000 600,000,000

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.

- 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,
- 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.
- 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.
- 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 or	31-03-2008
ASSETS:		Rs. In Lacs
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 –	1.5	,
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. Reg. TRANSFEROR COMPANY No. 2:

- [JAYPEE CEMENT LIMITED] 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
- The registered office of the Company is situate at 5 Park Road, Hazratgani, Lucknow 226 001
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

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

5,000,000,000

Rs.

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

- 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 Mo. 2 is beneficially held by the Transferee Company.
- 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 Distr Bhuj, Gajarat.
- 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.
- 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

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	As on	31-03-2008
ASSETS:		Rs. in Lacs
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		2,110
TOTAL	•	
There has been as a second of the second of		<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.

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

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

2,000,000 300,000,000

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

#### 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.
- 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:

Company do por the latest resemble resemble to	•
	As on 31-03-2008 Rs. In Lacs
	ra. III Lacs
ASSETS:	
Fixed Assets (WDV)	1,685
Capital Work-in-progress	68,478
Incidental Expenses during construction	6,376
Investments	1,901
	62
	245 (2,083)
	179
Misc. Expenditure	
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.

- 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 Transferoe 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 Transferoe 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 Transferoe 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,
- 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 filling 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 Transferoe Company on the combined Authorised Share Capital and accordingly, the Transferee Company on the combined Authorised Share Capital and accordingly, 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 Saction 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 Transferoe 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 expective 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 the treof. 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 Transferoe 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.
- 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 Transferoe 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 Ultranschal.
- 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 Transferoe 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 paries 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, Transferor 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.
- 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	; <sup>1</sup> -	-		
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	-	- 1	-	
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*	· -	<del>-</del> .	-		. •	
14	Shri M. S. Srivastava	50,955	5,900	· -	- ·	1,900	
15	Shri B. K. Taparia	•	4 2 17 <del>-</del>	-		-	
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	d 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		-	-	- 1	-
12	Shri Harish K. Vaid	56,620	1,000	-	/ - 1	1,900
13	Ms.Sunita Joshi	1,686,000	-	-	-	-
14	Shri K Subramaniam .		-	-	- 1	-
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.	S.No. Name of Directors		Number of Shares held in				
Ì		JAL.	JHL	JCL	JEL	⟨ GACL	
1	Shri Sunil Kumar Sharma	1,000	1			-	
2	Shri Sunny Gaur	158,250	447 .	1 · -	-	_	
3	Shri P. V. Vora	2,102,750	1,000	-	-		
4	Shri Pankaj Gaur	100,000	4,500	-	-	-	
5	Shri SC Bhargava	2,000	٠ -		-	-	
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.	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	-	- 1	-

## 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	1		-
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

<sup>\*</sup>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		R	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 1			
	(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. 16£,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
  - (iii) Copies of published Auditec Accounts of all the Applicant Companies for the financial year ended on 31<sup>st</sup> March, 2008
  - (iv) Memorandum & Articles of Association of all the Applicant Companies
  - (v) Valuation Report submitted by Bansi S. Mehta & Co., Chartered Accountants, Mumbal
  - (vi) Fairness Opinion of Sobhagya Capital Options Limited, in respect of Valuation/share exchange "atio 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 Obj∈ction 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/[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 JFI

## 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 Na	agar, (UP).	Transfere	e Company
2.	JAYPEE HOTELS LIMITED	•		
	having its registered office at Hotel Jaypee Palace, Fatehabad Road,Agra, Uttar Prade	sh.	Transfero	or Company No. 1
3.	JAYPEE CEMENT LIMITED	* - *		
	having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001		Transfero	or Company No. 2
4	JAIPRAKASH ENTERPRISES LIMITED			
	having its registered office at Sector-128, NOIDA-201304,District Gautam Buddha Nag	ar,(UP).	Transfero	or Company No. 3
5.	GUJARAT ANJAN CEMENT LIMITED	•		
	having its registered office at Sector-128, NOIDA-201304,District Gautam Buddha Nag	ar <sub>ı</sub> (UP)	Transfer	or Company No. 4
				APPLICANTS
		FORM OF PROXY		
I/W	·	the undersigned, Shareholder(s	;)/Creditor(s) of Ja	iprakash Enterprises Ltd., the
App	licant Company abovenamed, hereby appoint Msof	Mr./Ms	ot for molus at th	a meeting of the Shareholders/
Mr./	Ms of of ditors of the said Applicant Company, to be held at the pren	as myour proxy to a	ion Technology Un	iversity, A-10, Sector 62, Noida-
App	roving, with or without modification, by separate resolution, to licant Companies in each other, which are not to be cance ournment thereof, to vote for me/us and in my/our name/s	elled, in terms of Clauses 5.02 to a here, if "for", ir)	sert "for" and if "a	gainst", insert "against" the said
adjo	colutions, either with or without modification, as my/our prox	y may approve. (strike out what is i	not necessary).	
1 100	oldions, state twin a transfer and			•
	ed thisday of 2009		Revenue	Stamp
Sig	nature	•	of Re.	1.00
Na	ne & address		•	•
Fol	io No./Client ID No	<del></del> .		a later than the found for
No hol	e: The Proxy must be returned so as to reach the Register ding of the meeting.	ed Office of the Company not less t	han 48 (Forty Eigh	) nours perore the time lixed to
	JAIPBA	KASH ENTERPRISES LIMITED		
	0711	+" (= 1	•	•
	Atte	ndance Slip (Entrance Pass)	•	•
 Ih	· · · · · · · · · · · · · · · · · · ·	(O. die of Jainvalench Enterpris	ses Limited held at	the premises of Jaypee Institute arch, 2009 atam/pm.
of	ereby record my presence at the meeting of the Sharehold Information Technology University, A-10, Sector 62, Noida	ers/Creditors of Jaiprakash Enterpris -201307, (UP), INDIA on	ses Limited held at	the premises of Jaypee Institute arch, 2009 atam/pm.
of	· · · · · · · · · · · · · · · · · · ·	ers/Creditors of Jaiprakash Enterpris -201307, (UP), INDIA on	ses Limited held at	the premises of Jaypee Institute arch, 2009 atam/pm.

## 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

 JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

.... Transferee Company

JAYPEE HOTELS LIMITED
 having its registered office at
 Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

.... Transferor Company No. 1

JAYPEE CEMENT LIMITED
 having its registered office at
 5 Park Road, Hazratganj, Lucknow 226 001

... Transferor Company No. 2

JAIPRAKASH ENTERPRISES LIMITED
having its registered office at
Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).

.... Transferor Company No. 3

 GUJARAT ANJAN CEMENT LIMITED having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)

.. Transferor Company No. 4

..... APPLICANTS

Τo,

4.

### **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 Transferoe 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.

NOTICE CONVENING MEETING

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

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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

- 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.
- 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.
- 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.
- 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 'Uttra 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 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.
- 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. The 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 Transferoe 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
- 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 Transferoe 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, Ultar 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:		IAI TTANGETOET OOLDANG		Rs. In lakhs at 31-3-2008
The authorized, issued, subscribed and paid up capita		JAL [TRANSFEREE COMPANY]:		
Company and the Transferor Companies as per th	eir respective last	ASSETS:	*	
available Balance Sheets as at 31st March, 2008 are	as under –	Fixed Assets (WDV) Investments		793,052
JAL [Transferee Company]:	•	Deferred Tax Assets		322,483 1,149
AUTHORISED CAPITAL:		Current Assets, Loans & Advances :	596,293	. 1,148
	Rs.	Less Current Liabilities & Provisions	365,514	230,779
5,15,00,00,000 Equity Shares of Rs. 2 each	10,300,000,000	Misc. Expenditure not w/off		10
30,00,000 Preference Shares of Rs. 100 each	300,000,000	TOTAL	•	1,347,473
TOTAL	10,600,000,000	SOURCES OF FUNDS:		
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		Share Capital		23,430
117,15,22,417 Equity Shares of Rs. 2 each fully		Reserves and Surplus		396,520
paid up	2,343,044,834	Equity Warrants Loans –		39,850
		Secured	464,030	
(However, as on 31-10-2008, (being the Valuation		Unsecured	366,528	830,558
Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity	•	Deferred Tax Liability		57,115
Shares of Rs.2 each on account		TOTAL		1,347,473
of conversion of FCCBs/Warrants).	•	JHL [TRANSFEROR COMPANY No. 1]:		
		ASSETS:		
JHL [TRANSFEROR COMPANY No. 1]:	•			
AUTHORISED CAPITAL:		Fixed Assets (WDV) Capital Work-in-progress		20,154
59,000,000 Equity shares of Rs. 10 each	590,000,000	Investments		138 72
100,000 Preference Shares of Rs. 100 each	10,000,000	Current Assets, Loans & Advances :	16,031	
TOTAL	600,000,000	Less Current Liabilities & Provisions	15,906	125
	000,000,000	TOTAL	<del></del>	20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:		SOURCES OF FUNDS:		
55,490,000 Equity Shares of Rs. 10 each		SOURCES OF FUNDS: Share Capital	•	5,549
fully paid up	554,900,000	Reserves and Surplus		8,786
JCL [TRANSFEROR COMPANY No. 2];	•	Loans -		0,, 00
ood[::aato. attorroom Attrito.2];		Secured	21,51	
AUTHORISED CAPITAL:		Unsecured	20	2,171
500,000,000 Equity shares of Rs. 10 each	5,000,000,000	Deferred Tax Liability		3,983
ICCLIED CHECCHIPED AND DAID UP CARE		TOTAL		20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 355,950,700 Equity Shares of Rs. 10 each		JCL [TRANSFEROR COMPANY No. 2]:		
fully paid up	3,559,507,000	ASSETS:	•	
	- 0,000,007,000	Fixed Assets (WDV)		246
(However, as on the Valuation Date, the Authorized		Investments		37,390
Capital stood increased to Rs.1000 Crores, divided into		Current Assets, Loans & Advances :	91	
100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into		Less Current Liabilities & Provisions Misc. Expenditure	197	(106)
506,050,700 Equity Shares of Rs.10 each).	* * * * * * * * * * * * * * * * * * *	•		200
		TOTAL		37,730
JEL [TRANSFEROR COMPANY No. 3]:		SOURCES OF FUNDS:		
ALITHADIATO ALCITAL		Share Capital		35,595
AUTHORISED CAPITAL: 29,800,000 Equity shares of Rs. 10 each	000 000 000	Share Application Money Reserves and Surplus		2,110
20,000 9% Cumulative Preference Shares	298,000,000	TOTAL		25
of Rs. 100 each	2,000,000	JEL [TRANSFEROR COMPANY No. 3]:		37,730
TOTAL	300,000,000	ASSETS:		
		Fixed Assets (WDV)	• •	1,285
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	·	Capital Work-in-progress		50
26,700,000 Equity Shares of Rs. 10 each	007 000 000	Investments		5,618
fully paid up	267,000,000	Current Assets, Loans & Advances :	7,440	
GACL[TRANSFEROR COMPANY No. 4]:	•	Less Current Liabilities & Provisions Deferred Tax Liability	7,723	(283)
AUTHORISED CAPITAL:		•		(71)
350,000,000 Equity shares of Rs. 10 each	3,500,000,000	TOTAL	-	6,599
	. ,	SOURCES OF FUNDS:		`^ a==
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	•	Share Capital Reserves and Surplus		2,670
333,975,070 Equity Shares of Rs. 10 each	0 000 250 200			3,929
fully paid up	3,339,750,700	TOTAL		6,599
(However, as on the Valuation Date, the Paid up		GACL [TRANSFEROR COMPANY No. 4]:	*	
Capital stood increased to Rs.3,499,750,700 divided into		ASSETS:	F	
349,975,070 Equity Shares of Rs.10 each).	•	Fixed Assets (WDV) Capital Work-in-progress		1,685 68,478
3.02 The equity shares of JAL are listed on National Stock	Exchange and the	Incidental Expenses during construction	-	6,376
Bombay Stock Exchange. The equity shares of JHL are	e listed on National	Investments		1,901
Stock Exchange. The shares of JEL are listed on Delhi		Current Assets, Loans & Advances :	5,162	
Stock Exchanges. The shares of JCL and GACL are	not listed on any	Less Current Liabilities & Provisions	7,245	(2,083)
stock exchange.	•	Misc. Expenditure	<del></del>	179
3.03 FINANCIAL POSITION:		TOTAL.	•	76,536
The audited accounts of the Transferee Company a	nd the Transferor	SOURCES OF FUNDS:	•	
Companies have been presented to their respective sha		Share Capital		33,398
financial year ended on 31-3-2008. The summarized fi	nancial position of	Share Application Money		3,183
the these companies as per the above latest Audite	ed Accounts is as .	Reserves and Surplus Loan Funds (Secured)		6 39,949
under:				
	. 3	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.
- 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:
  - 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 format 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 Cate, 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 filling 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 I wo 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.
- 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 on
- 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.
- .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 Transferoe Companies may 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 Addees of Association including the right to receive dividends.
  - 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 :

- (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 Transferoe 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.

- 5.03 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.
- 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 Transferoe 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;
  - 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 Ultranschal.
- 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

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

JAIPRAKASH ASSOCIATES LIMITED 1. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "JAL")

JAYPEE HOTELS LIMITED 2. having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. (Also referred to hereinafter as "JHL")

JAYPEE CEMENT LIMITED 3. having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001. (Also referred to hereinafter as "JCL")

4. JAIPRAKASH ENTERPRISES LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JEL")

GUJARAT ANJAN CEMENT LIMITED 5. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "GACL")

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 lexcept 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 22<sup>nd</sup> December 2008.

Reg. TRANSFEREE COMPANY:

### [JAIPRAKASH ASSOCIATES LIMITED]

- 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.
- The registered office of the Company is situated at Sector 128, NOIDA in the district of Gautam Buddha Nagar, U.P. (ii)
- The Authorized and Issued, Subscribed and Paid up Capital of the (iii) Company as on 31-03-2008 has been as under-

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

10,300,000,000 300,000,000 10,600,000,000 ..... Transferee Company

Transferor Company No. 1

Transferor Company No. 2

Transferor Company No. 3

Transferor Company No. 4

## ..... APPLICANTS

2,343,044,834

ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 117,15,22,417 Equity Shares of Rs. 2 each

fully paid up

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 :	
Less Current Liabilities & Provisions	365,414 230,779
Misc. Expenditure not w/off	10
TOTAL	1,347,473
COMPORTO OF FUNDO	•
SOURCES OF FUNDS:	
Share Capital	23,430
Reserves and Surplus	396,520
Equity Warrants	39,850
Luano -	
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.

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

- 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.
- The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008

AUTHORISED CAPITAL:

59,000,000 Equity shares of Rs. 10 each 100,000 Preference Shares of Rs. 100 each 590,000,000 10.000.000 600,000,000

ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 55,490,000 Equity Shares of Rs. 10 each

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.
- 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.
- 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.
- 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:	11 11 2
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.

## Reg. TRANSFEROR COMPANY No. 2:

[JAYPEE CEMENT LIMITED]

- 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
- The registered office of the Company is situate at 5 Park Road, Hazratganj, Lucknow 226 001
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under

AUTHORISED CAPITAL:

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

5,000,000,000

Rs.

As on 31-03-2008

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

- 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.
- 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 District. Bhuj, Gajarat.
- 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.
- 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

	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	:
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 alreacy highlighted earlier.

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

- 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 'Uttra 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.
- The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under

As on 31-03-2008

AUTHORISED CAPITAL:

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

of Rs. 100 each 2,000,000 300,000,000

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:

ASSETS:	As on	31-03-2008 Rs. In Lacs
Fixed Assets (WDV) Capital Work-in-progress Investments Current Assets, Loans & Advances: Less Current Liabilities & Provisions Deferred Tax Liability TOTAL	7,440 7,723	1,285 50 5,618 (283) (71) 6,599
SOURCES OF FUNDS : Share Capital Reserves and Surplus TOTAL		2,670 3,929 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]

- 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

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:

ASSETS:	As or	31-03-2008 Rs. In Lacs
Fixed Assets (WDV) Capital Work-in-progress Incidental Expenses during construction Investments Current Assets, Loans & Advances: Less Current Liabilities & Provisions Misc. Expenditure TOTAL	5,162 7,245	1,685 68,478 6,376 1,901 (2,083)
SOURCES OF FUNDS: Share Capital Share Application Money Reserves and Surplus Loan Funds (Secured) TOTAL	· · ·	76,536 33,397 3,183 6 39,950 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.

- 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, fles, 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 ir., 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 inters or 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 corning 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 of 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 Transfere 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 c. 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 Appcinted Date and upto the Effective Date :
- 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
- 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 Transferoe 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 on
- 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 Allahadd 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 Aliahabad 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 tank 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.
- 3.01 Until the coming into effect of the Scheme :
  - (i) The right of the Transferor Companies and the Transferoe 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 fcllowing 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;
- 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
- 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 Transferoe 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.
- 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 Linit

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 Amatgamation. 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

0 N = 1	Name of Directors		Numbe	er of Shares he	eld in	
S.No.	.No. Name of Directors	JAL.	JHL	JCL	JEL	GACL
	Shri Jaiprakash Gaur, Founder Chairman	250	1,83,393		-	
-	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		7,4	-
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)	-			<u> </u>	
8	Shri Gopi K Arora	<u>-</u>			-	
9	Shri R.N. Bhardwaj	-	-	-	-	
10	Shri S. C. Bhargava	2,000	-	-		
11	Shri B.K. Goswami		-		•	
12	Shri S. C. Gupta	-	<u> </u>	-		
13	Dr. E.R.C. Shekar*	-	-	-	-	
14.	Shri M. S. Srivastava	50,955	5,900	-		1,900
15	Shri B. K. Taparia	-	-	-	<u> </u>	<u> </u>
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	· -		1.00
20	Shri S.D. Nailwal (Whole-time Director & CFO)	19,960	18,327	-	-	1,90
20	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					
1.	Shri Jaiprakash Gaur,* Founder Chairman	JAL	JHL	JCL	JEL	GACL		
2	Shri Sunil Kumar Sharma, Chairman	250	1,83,393					
3	Shri Ravi Sreen, MD	1,000	1	-				
4	Shri Manoi Gaur	12,160	6,000					
5		50,000	24,600					
6	Ms.Manju Sharma (Whole-time)	5,900	600					
<del>-</del> -	Shri P. K. Jain Ms.Rita Dixit	2,705,500	30,430					
8	Shri R N Bhardwaj	12,500	45,000	-	<del></del>	· -		
9	Shri Gunjit Singh		<u>-</u>			<u>-</u> -		
10	Shri S. K. Bansal	10,500	-	- 1	7 - 1			
11	Shri B. K.Taparia	67,480		-		1,900		
12	Shri Harish K. Vaid	<u> </u>	-					
13	Ms.Sunita Joshi	56,620	1,000		-	1,900		
14	Shri K Subramaniam	1,686,000		4	-			
15	Shri S K Chakraborty	<u> </u>	-		-	_		
-	TOTAL		-	- 1				
		4,607,910	291,024	_		3.800		

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

S.No.	Name of Directors		<del></del>	<u>:</u>			
			Number of Shares held in				
1	Shri Sunil Kumar Sharma	JAL	JHL	JCL	JEL	GACL	
2	Shri Sunny Gaur	1,000	1	_			
3	Shri P. V. Vora	158,250	447				
4	Shri Pankaj Gaur	2,102,750	1,000			<u>·</u>	
5		100,000	4,500			<del></del>	
	Shri SC Bhargava	2,000	• -				
6	Shri Rakesh Sharma	12,375	_				
	Shri Rahul Kumar	84,500	16,000				
3	Shri Naveen Kumar Singh (Whole-time)	1,986,090					
	Shri Harish K Vaid	56,620	200				
0	Shri Vijai Kumar Jain		1,000			1,900	
1	Shri R B Singh	6,560			40,000	1,900	
	TOTAL	1,000	<u> </u>		40,000	1,900	
		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		<del></del>			
- 1			Number	of Shares he		
1	Shri Manoj Gaur, Chairman	JAL	JHL	JCL	JEL	GACL
	Shri N. C. Sharma	50,000	24,600	-		- UNOL
_	Shri P.K. Jain, (Whole-time)	5,155	78,930	-		
	Shri B K Taparia	2,705,500	30,430			
	Shri S C Bhargava	<u>-</u>				
	Shri Gunjit Singh	2,000	-	-	-	
	TOTAL	10,500	-	-	<del></del> +	
	TOTAL	2,773,155	133,960			<del></del> -
				· ·	- ,	

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

S.No.	Name of Directors						
			Number of Shares held in				
1	Shri Manoj Gaur, Chairman	JAL	JHL	JCL	JEL	GACL	
,	Shri P. V. Vora	50,000	24,600	-			
-		2,102,750	1,000	-		<u>-</u>	
-	Shri Sameer Gaur	117,650	138	_			
	Shri Ranvijay Singh	1,983,810	200	·			
-	Shri Harish K Vaid	56,620	1,000				
	Shri Alok Gaur (Whole-time)	_	- 1000			1,900	
	TOTAL	4,310,830	26 020		13,000	1,900	
	ocianod	4,510,650	26,938	-	13,000	3,800	

<sup>\*</sup>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.	Category of shareholder		PREMERGE	<b>a</b>		POSTMERGER	
No.	Snareriolder	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
^\	Promoter and Promoter Group	116	53,16,13,213	44.91	118	52,30,06,736	37.31
A) B)	Public Shareholding						29.02
رد	(1) Institutions	550	40,67,88,100	34.36	550	40,67,88,100	
	(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				4	20,12,11,256	14.35
	is beneficiary	·	07.04.07.066	55.09	4,51,175	87.88,04,828	62.69
	Sub-Total B (1)+(2)+(3)	4,51,171	65,21,87,366		4,51,293	1,40,18,11,564	100.00
	GRAND TOTAL (A)+(B)	4,51,287	1,18,38,00,579	100.00	4,51,295	1,70,10,11,00-7	

- 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 Transferoe 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 Ltc. 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

- 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
  - (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/-[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
<b>5</b> .	GUJARAT ANJAN CEMENT LIMITED having its registered office at	Hansieror Company No. 3
	Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)	Transferor Company No. 4
•		APPLICANTS
	FORM OF PROXY	:
	the undersigned, Shareholder(s)/Creaticant Company abovenamed, hereby appoint Mr./Ms of as my/our proxy to act for the company and the company and the company as my/our proxy to act for the company and the company and the company as my/our proxy to act for the company and the company as my/our proxy to act for the company and the company are company as my/our proxy to act for the company and the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company as my/our proxy to act for the company are company are company are company as my/our proxy to act for the company are company are company as my/our proxy to act for the company are	r makes at the meeting of the Charles to
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2013 or wi appro Appli adjou Reso  Date Signa Nam Folio Note	attors or the said Applicant Company, to be held at the premises of Jaypee Institute of Information T 207 (UP), INDIA on, theMarch, 2009 at, A.M./P.M., for the purpose of cititout modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Troving, with or without modification, by separate resolution, the proposed provisions relating to creation to companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 of curnment thereof, to vote for me/us and in my/our name/s(here, if "for", insert colutions, either with or without modification, as my/our proxy may approve. (strike out what is not not determine the day of	echnology University, A-10, Sector 62, Noida- considering, and if thought fit, approving, with ansferee Company as named above and also n of Trust in respect of the shares held by the of the Scheme, and at such meeting and any "for" and if "against", insert "against" the said ecessary).  Revenue Stamp of Re.1.00
2013 or wi appro Appli adjou Reso  Date Signa Nam Folio Note holdin	allors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information T (IP), INDIA on, theMarch, 2009 atA.M./P.M., for the purpose of continuous modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Troving, with or without modification, by separate resolution, the proposed provisions relating to creation icant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 comment thereof, to vote for me/us and in my/our name/s	echnology University, A-10, Sector 62, Noida- considering, and if thought fit, approving, with ansferee Company as named above and also n of Trust in respect of the shares held by the of the Scheme, and at such meeting and any "for" and if "against", insert "against" the said ecessary).  Revenue Stamp of Re.1.00  8 (Forty Eight) hours before the time fixed for
Date Signa Nam Follo Note holdin	allors of the said Applicant Company, to be held at the premises of Jaypee Institute of Information T (JP), INDIA on, theMarch, 2009 atA.M./P.M., for the purpose of on thout modification, the proposed Scheme of Amalgamation of the Transferor Companies with the Troving, with or without modification, by separate resolution, the proposed provisions relating to creation icant Companies in each other, which are not to be cancelled, in terms of Clauses 5.02 to 5.05 comment thereof, to vote for me/us and in my/our name/s	echnology University, A-10, Sector 62, Noida- considering, and if thought fit, approving, with ansferee Company as named above and also n of Trust in respect of the shares held by the of the Scheme, and at such meeting and any "for" and if "against", insert "against" the said ecessary).  Revenue Stamp of Re.1.00  8 (Forty Eight) hours before the time fixed for

## 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

JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304, District Gautam Buddha Nagar, (UP).

... Transferee Company

JAYPEE HOTELS LIMITED 2. having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh.

... Transferor Company No. 1

JAYPEE CEMENT LIMITED having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001

... Transferor Company No. 2

JAIPRAKASH ENTERPRISES LIMITED 4 having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP).

... Transferor Company No. 3

**GUJARAT ANJAN CEMENT LIMITED** having its registered office at Sector-128, NOIDA-201304, District Gautam Buddha Nagar, (UP)

....Transferor Company No. 4

..... APPLICANTS

Τo,

## NOTICE CONVENING MEETING

## **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.

IR.P.AGARWALI Advocate-

Counsel for Applicant Companies

[ RAJIV GUPTA] Advocate

Chairman appointed for the Meeting

- 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

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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

- 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.
- 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.
- 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.
- 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 'Uttra 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.
- 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 step down 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 Transferoe 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 Transferoe 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 Transferoe 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 reg stered 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 Litter Predesh
- 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 \_imited [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:			( Rs. In lakhs) As at 31-3-2008
The authorized, issued, subscribed and paid up capital of the Transfere			
Company and the Transferor Companies as per their respective la available Balance Sheets as at 31st March, 2008 are as under –	Fixed Assets (WDV)	•	793,052
JAL [Transferee Company]:	Investments Deferred Tax Assets		322,483 1,149
AUTHORISED CAPITAL:	Current Assets, Loans & Advances :	596,293	
Rs 5,15,00,00,000 Equity Shares of Rs. 2 each 10,300,000,000	Mine Francistus and winds	365,514	230,779 10
30,00,000 Preference Shares of Rs. 100 each 300,000,000			1,347,473
TOTAL 10,600,000,000	SOURCES OF FUNDS : Share Capital		00.400
ISSUED, SUBSCRIBED AND PAID UP CAPITAL: 117,15,22,417 Equity Shares of Rs. 2 each fully paid up 2,343,044,83	Reserves and Surplus Equity Warrants		23,430 396,520 39,850
(However, as on 31-10-2008, (being the Valuation	Secured Unsecured	464,030 366,528	830,558
Date), the Paid up Capital stood increased to Rs.236,75,05,236 divided into 118,37,52,618 Equity	Deferred Tax Liability		57,115
Shares of Rs.2 each on account	TOTAL		1,347,473
of conversion of FCCBs/Warrants).	JHL [TRANSFEROR COMPANY No. 1]:		
JHL [TRANSFEROR COMPANY No. 1]:	ASSETS: Fixed Assets (WDV)		20,154
AUTHORISED CAPITAL:	Capital Work-in-progress		138
59,000,000 Equity shares of Rs. 10 each 590,000,000 100,000 Preference Shares of Rs. 100 each 10,000,000		16,031	72
TOTAL 600,000,000	Less Current Liabilities & Provisions	15,906	125
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	— TOTAL		20,489
55,490,000 Equity Shares of Rs. 10 each	SOURCES OF FUNDS: Share Capital	,	5,549
fully paid up	Reserves and Surplus	•	8,786
JCL [TRANSFEROR COMPANY No. 2]:	Loans Secured	21,51	
AUTHORISED CAPITAL:	Unsecured Deferred Tax Liability	20	2,171 3,983
500,000,000 Equity shares of Rs. 10 each 5.000,000,000	TOTAL		20,489
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	JCL [TRANSFEROR COMPANY No. 2]:		
355,950,700 Equity Shares of Rs. 10 each fully paid up 3,559,507,000	ASSETS:		
(However, as on the Valuation Date, the Authorized	Fixed Assets (WDV) Investments		246 37,390
Capital stood increased to Rs.1000 Crores, divided into	Current Assets, Loans & Advances : Less Current Liabilities & Provisions	91 107	•
100 Crore Equity Shares of Rs.10 each and the Paid Up Capital stood at Rs.5,060,507,000 divided into	Misc. Expenditure	197	(106) 200
506,050,700 Equity Shares of Rs.10 each).	TOTAL		37,730
JEL [TRANSFEROR COMPANY No. 3];	SOURCES OF FUNDS: Share Capital		25 505
AUTHORISED CAPITAL:	Share Application Money		35,595 2,110
29,800,000 Equity shares of Rs. 10 each 298,000,000 20,000 9% Cumulative Preference Shares	n Reserves and Surplus  TOTAL		25 37,730
of Rs. 100 each 2,000,000			
TOTAL 300,000,000	ASSETS:		4.00=
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	Fixed Assets (WDV) Capital Work-in-progress		1,285 50
26,700,000 Equity Shares of Rs. 10 each fully paid up 267,000,000	Investments Current Assets, Loans & Advances :	7,44	5,618 n
GACL [TRANSFEROR COMPANY No. 4]:	Less Current Liabilities & Provisions	7,72	<u>3</u> (283)
AUTHORISED CAPITAL:	Deferred Tax Liability TOTAL		(71) 6,599
350,000,000 Equity shares of Rs. 10 each 3,500,000,000	SOURCES OF FUNDS:		0,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:	Share Capital Reserves and Surplus		2,670 3,929
333,975,070 Equity Shares of Rs. 10 each fully paid up 3,339,750,700	and the second of the second o		6,599
(However, as on the Valuation Date, the Paid up	GACL [TRANSFEROR COMPANY No. 4]:		
Capital stood increased to Rs.3,499,750,700 divided into	ASSETS : Fixed Assets (WDV)		1,685
349,975,070 Equity Shares of Rs.10 each).	Capital Work-in-progress		68,478
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 Nation	al Investments		6,376 1,901
Stock Exchange. The shares of JEL are listed on Delhi and Uttar Prades Stock Exchanges. The shares of JCL and GACL are not listed on an		5,16 7,24	
stock exchange.	Misc. Expenditure		179
3.03 FINANCIAL POSITION:	TOTAL		76,536
The audited accounts of the Transferee Company and the Transfer			33,398
Companies have been presented to their respective shareholders up to the financial year ended on 31-3-2008. The summarized financial position	of Share Application Money		3,183
the these companies as per the above latest Audited Accounts is a under:	Loan Funds (Secured)		39,949
	TOTAL 3		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.
- With effect from the Appointed Date and upon this scheme coming into 4.02 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 adventising 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 Transferree 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 Transferoe 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:
  - 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, cuties 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 fincluding 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 Corrpany 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 Transferror Companies in terms of the Scheme, the Transferror 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.
- Insofar as the equity shares of JAL & JHL, if any, held by JEL are 5.02 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 Rufe 79 of the Companies (Court) Rufes, 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.
  - 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.
  - 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.
- 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 uncer 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 Transferoe 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
  - (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 nstitute of Chartered Accountants of India.

- 6.03 The amalgamation of Transferor Companies with the Transferoe 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 share-nolder) 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.
- 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 HOTEL\$ 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")

JAYPEE HOTELS LIMITED 2. having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. (Also referred to hereinafter as "JHL")

JAYPEE CEMENT LIMITED 3 having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001. (Also referred to hereinafter as "JCL")

JAIPRAKASH ENTERPRISES LIMITED 4. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP). (Also referred to hereinafter as "JEL")

**GUJARAT ANJAN CEMENT LIMITED** 5. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "GACL")

- 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 22<sup>nd</sup> December 2008.
- Reg. TRANSFEREE COMPANY:

### [JAIPRAKASH ASSOCIATES LIMITED]

- 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 Ultar 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.
- The registered office of the Company is situated at Sector 128, NOIDA in the district of Gautam Buddha Nagar, U.P. (ii)
- The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under

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

Transferor Company No. 1

Transferor Company No. 2

Transferor Company No. 3

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 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 year the latest Audited Accounts is as under:

ACCETO	,	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	920 559
Deferred Tax Liability	300,520	830,558 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.

### 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 Cert ficate 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 100,000 Preference Shares of Rs. 100 each TOTAI

590,000,000 10,000,000 600,000,000

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

554,900,000

n 21-02-2

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 Transferoe 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:

the state of the s	AS OF 3	1-03-2008
ASSETS:	R	s. In Lacs
Fixed Assets (WDV) Capital Work-in-progress		20,154 138
Investments	100	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 Loans		8,786
Secured Unsecured	2,151	•
	20	2,171
Deferred Tax Liability		3,983
TOTAL		20,489
<b>∓</b> 1		

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

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

- 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: 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

As on 31-03-2008

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 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:

ASSETS:	Rs. In Lacs
Fixed Assets (WDV) Investments	246 37,390
Misc. Expenditure	91 197 (106) 200
TOTAL 1	37,730
SOURCES OF FUNDS: Share Capital Share Application Money Reserves and Surplus	35,595 2,110 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 'Uttra 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 20,000 9% Cumulative Preference Shares of Rs. 100 each TOTAL

fully paid up

298,000,000

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

267,000,000

300,000,000

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:

ASSETS:	As on 31-03-2008 Rs. In Lacs
Fixed Assets (WDV)	1,285
Capital Work-in-progress	50
Investments Current Assets, Loans & Advances :	5,618
Less Current Liabilities & Provisions Deferred Tax Liability	7,440 7,723 (283) (71)
TOTAL	6,599
SOURCES OF FUNDS :	14 (14) 14 (14)
Share Capital Reserves and Surplus	.2,670 3,929
TOTAL	3,929 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.

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

- 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 –

s on 31-03-200

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

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:

	31-03-2008 Rs. In Lacs
ASSETS: Fixed Assets (WDV) Capital Work-in-progress Incidental Expenses during construction Investments Current Assets, Loans & Advances: Less Current Liabilities & Provisions Misc. Expenditure TOTAL	1,685 68,478 6,376 1,901 (2,083) 179 76,536
SOURCES OF FUNDS: Share Capital Share Application Money Reserves and Surplus Loan Funds (Secured)	33,397 3,183 6 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.

- 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 Transferoe 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 corning 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 beer 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 pencing and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transfere 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 tiabilities 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 Transferoe 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,
- 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 filling 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 Authorisea 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 Transferoe 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 Ileu 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 Transferoe 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 Transferoe 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 :

- (f) 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 Daté.
- (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 Transferoe 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 Ultranschal
- 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 Transferoe Company, the Scheme shall become riull 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, Transferoe 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 Transferoe Company shall be borne and paid by the Transferoe 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.
- 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.
- D. 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.
- 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		Numb	er of Shares	held in	
		JAL	JHL.	JÇL	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)	a		-	-	<del>-</del>
8	Shri Gopi K Arora			-	1	-
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		<i>-</i> 1		-	. · .
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.	S.No. Name of Directors		Number of Shares held in				
			JAL	JHL	JCL	JEL	GACL
1.	Shri Jaiprakash Gaur,* Founder Chairman	9.7	250	1,83,393			
2	Shri Sunil Kumar Sharma, Chairman		1,000	1			
3	Shri Ravi Sreen, MD		12,160	6,000			<u>-</u>
4	Shri Manoj Gaur		50,000	24,600			
5	Ms.Manju Sharma (Whole-time)		5,900	600		<del></del>	
6	Shri P. K. Jain		2,705,500	30,430			
7	Ms.Rita Dixit		12,500	45,000			
8	Shri R N Bhardwaj		- 12,000	45,000			
9	Shri Gunjit Singh		10,500			<del></del>	
10	Shri S. K. Bansal		67,480				
11	Shri B. K.Taparia		0.,400	<del>-</del>			1,900
12	Shri Harish K. Vaid		56,620	1,000	——————————————————————————————————————		<del></del> -
13	Ms.Sunita Joshi		1,686,000	1,000			1,900
14	Shri K Subramaniam		1,000,000				
15	Shri S K Chakraborty			<del>                                     </del>			-
	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	· .		Num	ber of Shares	held in	
			JAL	JHL	JCL	JEL	GACL
1	Shri Sunil Kumar Sharma		1,000	. 1		<del>                                     </del>	
2	Shri Sunny Gaur		158,250	447			
3	Shri P. V. Vora	.1	2,102,750	1,000	<del>                                     </del>		<del>_</del>
4	Shri Pankaj Gaur		100,000	4,500	<del> </del>		
5	Shri SC Bhargava		2,000	1,000			
6	Shri Rakesh Sharma		12,375		<del>                                     </del>		
7	Shri Rahul Kumar	···	84,500	16,000	<del>  -</del>	<del> </del>	<u>-</u> _
8	Shri Naveen Kumar Singh (Whole-time)	· · · · · · · · · · · · · · · · · · ·	1,986,090		<del></del>		<u>-</u>
9	Shri Harish K Vaid		56,620	200	-	•	
10	Shri Vijai Kumar Jain	<del></del>	<del></del>	1,000		-	1,900
11	Shri R B Singh	· · ·	6,560			40,000	1,900
	TOTAL		1,000		-	40,000	1,900
	IOIAL		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				
	<u></u>	JAL 1	JHL	JCL	JEL	GAÇL	
1.	Shri Manoj Gaur, Chairman	50,000	24,600		1 -1 -1		
2	Shri N. C. Sharma	5,155	78,930		<del> </del>		
3	Shri P.K. Jain, (Whole-time)	2,705,500	30,430				
4	Shri B K Taparia	,, 00,000	30,430				
5	Shri S C Bhargava	2,000			-		
6	Shri Gunjit Singh	10,500	<del>                                     </del>		-		
	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			<del></del>	
5	Shrr Harish K Vaid	56,620	1,000		-	1 000	
6	Shri Alok Gaur (Whole-time)		1,000		13,000	1,900	
	TOTAL	4,310,830	26,938		13,000	1,900 3,800	

<sup>\*</sup>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		ser w. e.t				
	(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 Transferoe Company. The assets of the Transferoe 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

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

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 Aliahabad 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.ialindia.com

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 Na	ngar, (UP)	Transferee Company	
2.	JAYPEE HOTELS LIMITED			
	having its registered office at			
-	Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Prades	sh.	Transferor Company No. 1	
3.	JAYPEE CEMENT LIMITED			
٠.	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 Naga	ar,(UP).	Transferor Company No. 3	
5.	GUJARAT ANJAN CEMENT LIMITED			
	having its registered office at		•	
	Sector-128, NOIDA-201304, District Gautam Buddha Naga	ır,(UP)	Transferor Company No. 4	
			(	
			APPLICAN	115
		FORM OF PROXY		
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Appl Mr./A Cred 2013 modi with Com there eithe Date Sign Nam Folic Note	icant Company abovenamed, hereby appoint M 1s. of tors of the said Applicant Company, to be held at the premi O7 (UP), INDIA on Sunday, the 29th March, 2009 at	as my/our provises of Jaypee Institute of Inf A.M./P.M., for the purpose of Seforor Companies with the Trit provisions relating to creatic s of Clauses 5.02 to 5.05 of (here, if "for", insert "for et (strike out what is not necessary).	of	him/her, nareholders/ r 62, Noida- th or without o approving, he Applicant adjournment Resolutions,
Appl Mr./// Cred 2013 modified with Communication of the either cities and the communication of the communication	icant Company abovenamed, hereby appoint M 1s. of tors of the said Applicant Company, to be held at the premi O7 (UP), INDIA on Sunday, the 29th March, 2009 at	as my/our provises of Jaypee Institute of Inf A.M./P.M., for the purpose of Seror Companies with the Trid provisions relating to creatic s of Clauses 5.02 to 5.05 of (here, if "for", insert "for cstrike out what is not necessary and Office of the Company not Clause Slip (Entrance Pass)	of	him/her, hareholders/ r 62, Noida- th or without o approving, he Applicant adjournment Resolutions,  ime fixed for
Appl Mr./// Cred 2013 modi with Community there either Date Sign Nam Folic Note hold	icant Company abovenamed, hereby appoint Mas. of tors of the said Applicant Company, to be held at the premi O7 (UP), INDIA on Sunday, the 29th March, 2009 at	as my/our provises of Jaypee Institute of Inf A.M./P.M., for the purpose of Seferor Companies with the Trit provisions relating to creatic of Clauses 5.02 to 5.05 of (here, if "for", insert "for", insert "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for", insert "for of Clauses 5.02 to 5.05 of (here, if "for"), insert "for of Clauses 5.02 to 5.05 of (here, if "for"), insert "for of Clauses 5.02 to 5.05 of (here, if "for"), insert "for of Clauses 5.02 to 5.05 of (here, if "for"), insert "for of Clauses 5.02 to 5.05 of (here, if "for"), insert "for of Clauses 5.02 to 5.05 of (here, if "for"), insert "for of Clauses 5.02 to 5.05 of (here, if "for"), insert "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05 of (here, if "for of Clauses 5.02 to 5.05	of	him/her, hareholders/ r 62, Noida- th or without o approving, he Applicant adjournment Resolutions,  ime fixed for
Appl Mr./// Cred 2013 modification with Communication Comm	icant Company abovenamed, hereby appoint M ls. of clors of the said Applicant Company, to be held at the premi D7 (UP), INDIA on Sunday, the 29th March, 2009 at lication, the proposed Scheme of Amalgamation of the Trans or without modification, by separate resolution, the proposed panies in each other, which are not to be cancelled, in terms of, to vote for me/us and in my/our name/s r with or without modification, as my/our proxy may approve d this day of 2009 ature e & address No./Client ID No : The Proxy must be returned so as to reach the Registered ing of the meeting.  GUJARA Attendeby record my presence at the meeting of the Shareholders	as my/our provises of Jaypee Institute of Inf A.M./P.M., for the purpose of Seferor Companies with the Trit provisions relating to creatic sof Clauses 5.02 to 5.05 of (here, if "for", insert "for", insert "for", carrier of Office of the Company not Dark AT ANJAN CEMENT LIMITED Lance Slip (Entrance Pass)  s/Creditors of Gujarat Anjan 01307 (UP), INDIA on Sunda	of	him/her, hareholders/ r 62, Noida- th or without o approving, he Applicant adjournment Resolutions,  ime fixed for

## BOOK-POST

If undelivered please return to.

GUJARAT ANJAN CEMENT LIMITED
Sector-128 NOIDA-201304 District Courter

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 Acti

IN THE MATTER OF AMALGAMATION OF:

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

WITH

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	a e
	5 Park Road, Hazratgani, 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

To,

## **CREDITORS OF GUJARAT ANJAN CEMENT LIMITED**

MIDRAKASH ASSOCIATES LIKAS

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

**FRAJIV GUPTA1** 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

OΕ

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]

AMITTL

## JAIPRAKASH ASSOCIATES LIMITED [TRANSFEREE COMPANY]

#### PART- I-INTRODUCTION

- 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 Atlanda Capital Territory of Dethi. The Company received Certificate of Commencement of Business on 23-02-198\*. The registered office of the Company was shifted from NCT of Dethi 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.
- 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.
- 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 'Uttra 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 businesses 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 Transferoe 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 Allahahad
- 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,
  - 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.

3.0	1 CAPITAL STRUCTURE:	IION .			( Rs. In lakhs)
	The authorized, issued, subscribed and paid up ca	pital of the Transferee	JAL [TRANSFEREE COMPANY]:		As at 31-3-2008
	Company and the Transferor Companies as no	r thair rannaatii t	ASSETS:		•
	available Balance Sheets as at 31st March, 2008 a	are as under	Fixed Assets (WDV)		793,052
JA	L [Transferee Company] :		Investments		322,483
	THORISED CAPITAL:	•	Deferred Tax Assets		1,149
, (0	THOMISED OAI TIME.	Ph	Current Assets, Loans & Advances : Less Current Liabilities & Provisions	596,293	
5,1	5,00,00,000 Equity Shares of Rs. 2 each	Rs. 10,300,000,000	Misc. Expenditure not w/off	_ 365,514	, -
30,	00,000 Preference Shares of Rs. 100 each	300,000,000	TOTAL		10
70	TAL	<del></del>			1,347,473
		10,600,000,000	SOURCES OF FUNDS:		
ISS	UED, SUBSCRIBED AND PAID UP CAPITAL:	*	Share Capital Reserves and Surplus		23,430
137	7,15,22,417 Equity Shares of Rs. 2 each fully dup		Equity Warrants		396,520
μαι	a up	2,343,044,834	Loans -		39,850
(Ho	wever, as on 31-10-2008, (being the Valuation		Secured	464,030	
∪aı	e), the Paid up Capital stood increased to	•	Unsecured	366,528	830,558
HS.	236,75,05,236 divided into 118.37.52.618 Faulty		Deferred Tax Liability		57,115
Sna of a	ares of Rs.2 each on account conversion of FCCBs/Warrants).		TOTAL		1,347,473
01.0	onversion of FCCBs/warrants).		JHL [TRANSFEROR COMPANY No. 1]:	•	
JHI	[TRANSFEROR COMPANY No. 1]:		ASSETS:		
			Fixed Assets (WDV)		00 454
AU	THORISED CAPITAL:		Capital Work-in-progress		20,154 138
100	000,000 Equity shares of Rs. 10 each ,000 Preference Shares of Rs. 100 each	590,000,000	Investments		72
		10,000,000	Current Assets, Loans & Advances :	16,031	
TOT	AL	600,000,000	Less Current Liabilities & Provisions	15,906	125
ISS	UED, SUBSCRIBED AND PAID UP CAPITAL:		TOTAL		20,489
55,4	90,000 Equity Shares of Rs. 10 each		SOURCES OF FUNDS:		
fully	paid up	554,900,000	Share Capital		5,549
ICI	Thancer on occurrance of		Reserves and Surplus		8,786
JCL	[TRANSFEROR COMPANY No. 2]:		Loans – Secured		
AUT	HORISED CAPITAL:		Unsecured	21,51	
	000,000 Equity shares of Rs. 10 each	_5,000,000,000	Deferred Tax Liability	20	2,171 3,983
		0.00,000,000	TOTAL.		<del> </del>
1881	JED, SUBSCRIBED AND PAID UP CAPITAL:	•			20,489
fully	950,700 Equity Shares of Rs. 10 each paid up		JCL [TRANSFEROR COMPANY No. 2]:	•	
	•	3,559,507,000	ASSETS : Fixed Assets (WDV)		
(Hov	vever, as on the Valuation Date, the Authorized		Investments		246
Cap	ital stood increased to Rs.1000 Crores, divided into		Current Assets, Loans & Advances	91	37,390
Hn (	Crore Equity Shares of Rs.10 each and the Paid Capital stood at Rs.5,060,507,000 divided into		Less Current Liabilities & Provisions	197	(106)
506.	050,700 Equity Shares of Rs.10 each).		Misc. Expenditure		200
			TOTAL.		37,730
JEL	[TRANSFEROR COMPANY No. 3]:		SOURCES OF FUNDS:		
AUT	HODICED OADITAL		Share Capital	•	35,595
29.8	HORISED CAPITAL: 00,000 Equity shares of Rs. 10 each		Share Application Money		2,110
20,0	00 9% Cumulative Preference Shares	298,000,000	Reserves and Surplus		25
of R	s. 100 each	2,000,000	TOTAL		37,730
TOTA	AL .	300,000,000	JEL [TRANSFEROR COMPANY No. 3]:	•	
		300,000,000	ASSETS:		
ISSL	ED, SUBSCRIBED AND PAID UP CAPITAL:		Fixed Assets (WDV)		1,285
26,70	00,000 Equity Shares of Rs. 10 each		Capital Work-in-progress Investments		50
lully	paid up	267,000,000	Current Assets, Loans & Advances :	7,440	5,618
GAC	L[TRANSFEROR COMPANY No. 4]:	•	Less Current Liabilities & Provisions	7,723	
	HORISED CAPITAL:		Deferred Tax Liability		(71)
350,0	000,000 Equity shares of Rs. 10 each	3,500,000,000	TOTAL		6,599
		3,300,000,000	SOURCES OF FUNDS:		0,000
ISSU	ED, SUBSCRIBED AND PAID UP CAPITAL:		Share Capital		2,670
fully i	075,070 Equity Shares of Rs. 10 each		Reserves and Surplus	•	3,929
iony į	Jaid up	3,339,750,700	TOTAL		6,599
(How	ever, as on the Valuation Date, the Paid up		GACL [TRANSFEROR COMPANY No. 4]:		
Capit	al stood increased to Rs.3.499.750.700 divided into	•	ASSETS:		
349,9	75,070 Equity Shares of Rs.10 each).		Fixed Assets (WDV)		1,685
3.02	The equity shares of JAL are listed on National Stool	k Exchange and the	Capital Work-in-progress		68,478
	Bombay Stock Exchange. The equity shares of JHL a	re listed on National	Incidental Expenses during construction Investments		6,376
	Stock Exchange. The shares of JEL are listed on Delh	ni and Uttar Pradesh	Current Assets, Loans & Advances :	5,162	1,901
	Stock Exchanges. The shares of JCL and GACL at stock exchange.	re not listed on any	Less Current Liabilities & Provisions	7,245	(2,083)
	otton skolidige.		Misc. Expenditure	-,-10	179
3.03	FINANCIAL POSITION:		TOTAL		76,536
	The audited accounts of the Transferee Company	and the Transferor	SOURCES OF FUNDS ::	•	. 5,000
	Companies have been presented to their respective sh	areholders up to the	Share Capital		33,398
	financial year ended on 31-3-2008. The summarized	financial position of	Share Application Money	* · · · · · · · · · · · · · · · · · · ·	3,183
	the these companies as per the above latest Audi under:	ted Accounts is as	Reserves and Surplus Loan Funds (Secured)		6
			TOTAL,	*	39,949
		_	TOTAL .		76.536

PART-III-CAPITAL STRUCTURE AND FINANCIAL POSITION

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 Lot, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme
- With effect from the Appointed Date and upon this scheme coming into 4.02 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 or 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 emorcement 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 Transferoe 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:
  - 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 Transferor Companies inter se or between 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 Transferer 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.
- 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) At 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 filling 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 fille/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 Transferor 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 Transferoe 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.
- 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.
- 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.
- 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.
- 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 Transferoe 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.
  - respective equity shareholders shall remain unaffected.

    The shareholders of the Transferor Compan es 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 erabling 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 ir the same form and manner in which they appeared in the I nancial 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 Transferoe 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 cate 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 remaincer 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

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

JAIPRAKASH ASSOCIATES LIMITED having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "JAL")

JAYPÉE HOTELS LIMITED having its registered office at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh. (Also referred to hereinafter as "JHL")

JAYPEE CEMENT LIMITED 3. having its registered office at 5 Park Road, Hazratganj, Lucknow 226 001.

(Also referred to hereinafter as "JCL")

JAIPRAKASH ENTERPRISES LIMITED Sector - 128, NOIDA- 201304
District Gautam Buddha Nagar, (UP).
(Also referred to hereinafter as "JEL")

GUJARAT ANJAN CEMENT LIMITED 5. having its registered office at Sector - 128, NOIDA- 201304 District Gautam Buddha Nagar, (UP) (Also referred to hereinafter as "GACL")

- 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 22<sup>nd</sup> December 2008.
- Reg. TRANSFEREE COMPANY:

## [JAIPRAKASH ASSOCIATES LIMITED]

- 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.
- The registered office of the Company is situated at Sector 128, NOIDA in the district of Gautam Buddha Nagar, U.P. (ii)
- The Authorized and Issued, Subscribed and Paid up Capital of the Company as on 31-03-2008 has been as under –

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

10,600,000,000

10,300,000,000 300,000,000

Transferor Company No. 1

Transferor Company No. 2

Transferor Company No. 3

..... 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.

- 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:

ASSETS	: .	As on 31-03-2008 Rs. In Lacs
Fixed Assets (WDV)		793,052
Investments `	1000	322,483
Deferred Tax Assets		1,149
Current Assets, Loans & Advan		3
Less Current Liabilities & Provis	ions 365,41	230,779
Misc. Expenditure not w/off		10
TOTAL		1,347,473
SOURCES OF FUNDS:	2.19	
Share Capital	4.	23,430
Reserves and Surplus	1.0	396,520
Equity Warrants		39,850
Loans		
Secured	464,030	
Unsecured	366,528	
Deferred Tax Liability	11 1	57,115
TOTAL	10 10 Miles	1,347,473

# As on 31-03-2008

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

- 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.
- The registered office of the Company is situate at Hotel Jaypee Palace, Fatehabad Road, Agra, Uttar Pradesh
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under -

As on 31-03-2008

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

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

554.900.000

As on 31-03-2008

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

- The Transferor Company No. 1 is a subsidiary of the Transferoe Company, which holds 72.18 % of the Paid Up Capital of the Transferor Company No. 1.
- 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.
- The Company received Certificate of Commencement of business or 23-02-1981. Copy of the above Certificate of Commercement 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:

	A9 U	11 31-03-2000
		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	-10,000.	
TOTAL		20,489
POLIDORE OF FLINDS .	1	*
SOURCES OF FUNDS:		
Share Capital	1,	5,549
Reserves and Surplus		8,786
Loans –		
Secured	2,151	
Unsecured	20	2,171
Deferred Tax Liability		3,983
TOTAL.		20.489
101/14.		20,469

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)

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

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 civided into 506,050,700 Equity Shares of Rs.10

- 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 peneficially held by the Transferee Company.
- The objects of the Company are set out in the Objects Clause of the Memorandum of Association. It is presently setting up a Cernent 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.
- 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
- 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

ASSETS:	ing a salah sa Salah salah sa	Rs. In Lacs
Fixed Assets (WDV)		246
Investments		37,390
Current Assets, Loans & Advances:	91 '	ta in the
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 31-33-2008, 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.

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

- 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 'Uttra Rasayan Udyog Limited' in the National Capital Territory (NCT) of Delhi. The name of the Company was changed to "Jayree 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.
- The Authorized and Issued, Subscribed and Paid up Capital of the Company has been as under

As on 31-03-2008

267,000,000

AUTHORISED CAPITAL: 29,800,000 Equity shares of Rs. 10 each 298,000,000 20,000 3% 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

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

- The objects of the Company are set out in the Objects Clause of the (iv) 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.
- 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.
- 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
ASSETS:	Rs. In Lacs
Fixed Assets (WDV) Capital Work-in-progress Investments	1,285 50 5,618
Current Assets, Loans & Advances : Less Current Liabilities & Provisions Deferred Tax Liability TOTAL	7,440 7,723 (283) (71) 6,599
SOURCES OF FUNDS : Share Capital Reserves and Surplus TOTAL	2,670 3,929 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.

#### Reg. TRANSFEROR COMPANY No. 4: [GÜJARAT ANJAN CEMENT LIMITED]

- 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.
- The registered office of the Company is situate at Sector -128, NOIDA in the district of Gautam Buddha Nagar.
- The Authorized and Issued, Subscribed and Paid up Capital of the (iii) Company has been as under -

As on 31-03-2008

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.

- 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.
- 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).
- The Company received Certificate of Commencement of business on (vi) 14-07-1992. 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

is the book of the control of the co	-03-2008 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
TO <b>TOTAL</b> TO TOTAL TO THE 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 CONTROL OF CONTR	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.

The main provisions of the proposed Scheme of Amalgamation are stated

[Para numbers are as assigned in the Scheme]

"Appointed Date" shall mean `1st of April 2008'.

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- "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.
- With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Companies shall standsmerged 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.
- 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,
- 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 :
- 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 a rangement 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 the eof, 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 an angement which may give rise to a contingent liability in whatever form), it 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 Transferoe Company and shall, upon the coming in peffect 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 det., 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 anc/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 confinuance 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 contact 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 filling 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.
- 5.04 Insofar as the equity shares of JCL, if any, held by JAL are conceined 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 tieu 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.
  - .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 ce 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 ce 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 a 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 Ultaranchal.
- 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 Cirectors of the Transferor Companies and the Transferoe 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.
- 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.

 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		Numbe	r of Shares h	eld 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	-	- 1	-
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		- 1	-	-	-
12	Shri S. C. Gupta		-	-	-	-
13	Dr. E.R.C. Shekar*	: <u>-</u>	15 mg -	-		-
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(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	d 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		- 10,000			
9 .	Shri Gunjit Singh	10,500	_			
10	Shri S. K. Bansal	67,480				1,900
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	1,000			1,900
14	Shri K Subramaniam	- 1,555,555				· -
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				
		JAL	JHL	JCL	JEL	GACL	
1	Shri Sunii Kumar Sharma	1,000	1		<del>                                     </del>		
2	Shri Sunny Gaur	158,250	447				
3	Shri P. V. Vora	2,102,750	1,000	<del>                                     </del>			
4	Shri Pankaj Gaur	100,000	4,500	<del> </del>	<del> </del>		
5	Shri SC Bhargava	2,000	- 1,000	<del>                                     </del>	<del>                                     </del>	·	
6	Shri Rakesh Sharma	12,375		<del>                                     </del>	<del> </del>		
7	Shri Rahul Kumar	84,500	16,000	<del>                                     </del>	<del></del>	·	
8	Shri Naveen Kumar Singh (Whole-time)	1,986,090	200	<del> </del>			
9	Shri Harlsh K Vaid	56,620	1,000	ļ	-	1.000	
10	Shri Vijai Kumar Jain	6,560	1,000		40,000	1,900	
11	Shri R B Singh	1,000	<del></del>	<del> </del>	40,000	1,900	
	TOTAL	4,511,145	23,148	-	40,000 <b>80,000</b>	1,900 <b>5,700</b>	

## $\hbox{\tt D: SHAREHOLDINGS OF DIRECTORS OF JAIPRAKASH ENTERPRISES LIMITED-TRANSFEROR COMPANY No. 3}$

S.No. Name of Directors			Numbe	r of Shares hel	d in	
		JAL	JHL	JCL	JEL	GACL
1	Shri Manoj Gaur, Chairman	50,000	24,600			WHOL:
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		- 00,400			
5	Shri S C Bhargava	2,000	ļ — <u>-</u>	<del> </del>		<del></del>
6	Shri Gunjit Singh	10.500	<del> </del>	<del> </del>		-
	TOTAL	2,773,155	133,960	-		<del>-</del>

## 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		· · · · · · · · · · · · · · · · · · ·	<del></del>		
5	Shri Harish K Vald	56,620	1,000			1,900		
6	Shri Alok Gaur (Whole-time)	*	- 1,000		13,000	1,900		
	TOTAL	4,310,830	26,938		13,000	3,800		

<sup>\*</sup>since resigned.

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

S. No.	Category of shareholder		PREMERGE			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

- 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 Depentures/ Bonds. None of the Transferor Companies have issued any debentures.
- 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 distribut on 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.
- 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.
- 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.
- No investigation proceedings under Sections 235 to 251 and the like are

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 GACI

Dated: 14th day of February, 2009

pending against the Transferee or the Transferor Companies.

- 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 cated 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 (iii) 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
  - (viii) Details of important pending legal cases by or against the Applicant Companies
  - No Objection letters received from Stock Exchanges (ix)
  - (x) Lists of shareholders of the Applicant Companies
  - (xi) List of Creditors of the Applicant Companies
  - Trust Deed relating to Foreign Currency Convertible Bonds issued by the (xii) 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/-[ 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).	J.	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		
Mr/f	licant Company abovenamed, hereby appoint Mr./Msas my	//our proxy to act to	r me/us at the meeting of the Shareholders/
Mr./f Cred 2013 mod with Com	Msofas my  ditors of the said Applicant Company, to be held at the premises of Jaypee Instit  307 (UP), INDIA on Sunday, the 29th March, 2009 atA.M./P.M., for the p  ification, the proposed Scheme of Amalgamation of the Transferor Companies w  or without modification, by separate resolution, the proposed provisions relating  appanies in each other, which are not to be cancelled, in terms of Clauses 5.02 to  eof, to vote for me/us and in my/our name/s(here, if "for",  er with or without modification, as my/our proxy may approve. (strike out what is	Wour proxy to act to tute of Information To urpose of considerin ith the Transferee Co to creation of Trust to 5.05 of the Schem insert "for" and if "a	echnology University, A-10, Sector 62, Noida- g, and if thought fit, approving, with or without ompany as named above and also approving, in respect of the shares held by the Applicant he, and at such meeting and any adjournment
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If undelivered please return to:

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