



BIRLA CORPORATION LIMITED

(THE COMPANIES ACT, 1956)

COMPANY LIMITED BY SHARES

**Memorandum
and
Articles of Association**

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

In The Office of the Registrar of Companies, West Bengal
[Under the Companies Act, 1956 (1 of 1956)]

In the matter of BIRLA JUTE & INDUSTRIES LIMITED

I hereby certify that "BIRLA JUTE & INDUSTRIES LIMITED" which was originally incorporated on 25th day of August, 1919 under the COMPANIES ACT, 1913 and under the name "THE BIRLA JUTE MANUFACTURING COMPANY LIMITED" having duly passed the necessary special resolution passed on 26.3.1997 in terms of Section 21 of The Companies Act, 1956, and the approval of the Central Government signified in writing having been accorded thereto in the Department of Company Affairs, Registrar of Companies letter No. NCR/CN/3334 dated 31.3.1997, the name of the said company is this day changed to "BIRLA CORP LIMITED" and this Certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at Calcutta this day of 31st March 1997
(One thousand nine hundred Ninety Seven).



Sd/- G. MUKHOPADHYAY
Asstt. Registrar of Companies
West Bengal

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

[Under the Companies
Act, 1956 (1 of 1956)]

GOVERNMENT
OF
INDIA

In The Office of the Registrar of Companies,
WEST BENGAL
Calcutta

**In the matter of THE BIRLA JUTE MANUFACTURING COMPANY
LIMITED**

Birla Buildings, 9/1, R. N. Mukherjee Road, Calcutta-1.

I hereby certify that "THE BIRLA JUTE MANUFACTURING COMPANY LIMITED" which was originally incorporated on 25th day of August, 1919 under the INDIAN COMPANIES ACT, 1913 and under name "THE BIRLA JUTE MANUFACTURING COMPANY LIMITED" having duly passed the necessary resolution in terms of Section 21 / 22 (1) (a) / 22 (1) (b) of Companies Act, 1956, and the approval of the Central Government signified in writing having been accorded thereto in the Department of Company Affairs, Regional Director, Eastern Region letter No. RD/T/88-PT. II dated 2.2.1983, the name of the said company is this day changed to "BIRLA JUTE & INDUSTRIES LIMITED" and this Certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at Calcutta this day of 7th February 1983 (One thousand nine hundred Eighty Three).

Sd/- S. K. BHATTACHARJEE
Asstt. Registrar of Companies
West Bengal

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

In The Office of the Registrar of Companies, West Bengal
[Under the Companies Act, 1956 (1 of 1956)]

In the matter of BIRLA CORP LIMITED

I hereby certify that "BIRLA CORP LIMITED" which was originally incorporated on 25th day of August, 1919 under the COMPANIES ACT, 1913 and under the name "THE BIRLA JUTE MANUFACTURING COMPANY LIMITED" having duly passed the necessary special resolution passed on 16.9.98 in terms of Section 21 of The Companies Act, 1956, and the approval of the Central Government signified in writing having been accorded thereto in the Department of Company Affairs.

Registrar of Company letter No. NCR/CN/3334 dated 27th October, 1998, the name of the said company is this day changed to "BIRLA CORPORATION LIMITED" and this Certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at Calcutta this day of 27th October 1998
(One thousand nine hundred Ninety Eight).



Sd/- S. BARUA
Asstt. Registrar of Companies
West Bengal

No 2204

In the Office of the Registrar of Companies under Act VII of 1913
IN THE MATTER
OF

The Birla Jute Manufacturing COMPANY, LIMITED.

I DO HEREBY CERTIFY that pursuant to Act VII, 1913, of the Legislative Council of India, entitled "The Indian Companies Act, 1913," Memorandum of Association and Articles of Association (annexed) have been this day filed and registered in my office, and the said Company has been duly incorporated and is a Company limited by shares, pursuant to the provisions of the said Act.

*Dated this Twenty-fifth day of August, One Thousand
Nine Hundred and Nineteen*

Memo. of Fees.		Rs.	As.	P.
2084 {	For Registering the Company	975	0	0
	Do. Articles of Association	3	0	0
Total Rs....		978	0	0



Rupees Nine Hundred and Seventy-eight only.

(Sd.) W. STATHER HALE,

*Registrar of Companies Under
Act VII of 1913.*

ENTERED BY NIRMAL CHUNDRA MUKHERJEE,
In Ledger Vol. XLI being No. 3334
Certificate No. 2204 for 1919-20 158 for 1919-20

SATISH CHANDRA DATTA
Head Clerk



Certificate of Incorporation.

No. 3334 of 1919-1920.

¹⁵⁸
I hereby certify that The Birla Jute -
Manufacturing Company Limited.

^{was}
~~is this day~~ incorporated ^{on 25th April, 1919.} under the Indian Companies' Act, VIII of 1913, and that the Company is Limited.

Given under my hand at Calcutta,
the Fourth day of April,
One thousand nine hundred and Fifty nine
and under



[Signature]

Registrar of Joint Stock Companies
West Bengal.

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MEMORANDUM OF ASSOCIATION
OF
BIRLA CORPORATION LIMITED

NAME

1. The name of the Company shall be "BIRLA CORPORATION LIMITED"

REGISTERED OFFICE

2. The Registered Office of the Company will be situated in Bengal.

OBJECTS

3. The objects for which the Company is established are :—
 - (1) To purchase or acquire on freehold, perpetual or lease-hold, tenure or otherwise any suitable lands on the River Hooghly in the neighbourhood of Kolkata or at any other place or places in Bengal.
 - (2) To carry on at such lands and elsewhere as may be hereafter determined by the Company the business of spinners, weavers, manufacturers, balers and pressers of jute, jute cuttings, jute rejections, hemp, cotton and any other fibrous material and the cultivation thereof, and the business of buyers, sellers and dealers of jute, jute cuttings, jute rejections, hemp, cotton and any other fibrous material, oil seeds and any other seeds and produce and of goods or merchandise made thereof and to transact all manufacturing or curing and preparing processes and mercantile business that may be necessary or expedient and to purchase and vend the raw material and manufactured articles.

- (2A) To carry on, in all its branches, the business of producers, manufacturers, purchasers, refiners, importers, exporters, sellers of and dealers in cement, alumine cement, portland cement, lime and limestone, kanker, plasters, artificial stone and materials of every kind used in the manufacture thereof, whiting, clay, gravel, sand, sacks, bricks, tiles, building materials of all kinds, and all materials analogous to or connected therewith and the business of miners, metallurgists, builders, contractors and to purchase and vend all materials raw, processed or otherwise and all articles in any way connected with the aforesaid business.

Sub Clauses 2A & 2B as included by a Special Resolution of the Company dated 11th August, 1955 and confirmed by an Order of the Calcutta High Court dated 16th August, 1955

- (2B) To carry on, in all its branches, the business of producers, manufacturers, purchasers, importers, exporters, sellers and dealers in all kinds of synthetic fibre including all types of fibrous materials and all materials analogous thereto or connected therewith and to purchase and vend all materials raw, processed or otherwise and all articles in any way connected with the aforesaid business.

Sub-Clauses 2C & 2D as included by a special Resolution of the Company dated 24th September, 1968 and confirmed by an Order of the Calcutta High Court date 4th February, 1969.

- (2C) To carry on business as manufacturers of, dealers in and sellers of all grades, types, qualities, shapes, categories and descriptions of alloy, tool and special steels, including inter alia alloy, constructional steels in carbon, manganese nickel, chromium, nickel chromium(NiCr), nickel-chromium molybdenum(NiCrMb), Chromium Molybdenum (CrMb) etc., direct hardening steels, case hardening steels, nitriding steels, ball bearing steels, corrosion resisting steels, stainless and heat resisting steels, free cutting steels, silicomanganese steels, spring steels, carbon and alloy tool and die steels, high speed steels, cold and hot working steels, armour steels, magnet steels, electrical steels, hot rolled and cold rolled grain oriented electrical steels etc., all types of alloying materials required for manufacture of alloy, tool and special steels as such ferro-silicon, ferro manganese, ferro-vanadium, ferromolybdenum, ferro-tungsten, ferro-chrome, silicomanganese, silicocalcium, nickel, copper, cobalt, aluminium, boron titanium niobium etc. pig iron, cast iron, scrap iron, wrought iron, mild steel, etc., steel castings and steel forgings in all the categories of steel described hereinabove, all types of refractory bricks and materials etc. coke, tar, and tar biproducts etc.

- (2D) To carry on the business of iron foundries, civil and mechanical engineers, consulting engineers, project engineers, technical consultants and manufacturers of agricultural, industrial and other machinery, looms, spinning frames, machine parts, tool bits, machine toolmakers, brass founders, metal-workers, boiler-makers, makers of locomotive and engines of every description, mill wrights, machinists, iron and steel converters, smiths, wood-workers, builders, painters, chemists, metallurgists, electrical engineers, water supply engineers, gas makers, framers, printers, carriers and to buy, sell, design, manufacture fabricate, export, import, repair, convert, alter, let on hire, and deal in machinery, implements, plants, tools, tackles, instruments, rolling stock and hardware of all kinds, general fittings, accessories and appliances of all descriptions made of metal, alloy, glass or any other material and any parts of such accessories or fittings and generally to carry on business as merchants, importers and exporters and to transact and carry on all kinds of agency business.

- (3) To carry on the business of an electric light and power company in all its branches and in particular to lay down, construct and carry out

all necessary cables, wires, lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity for the purposes of light, heat, motive power or otherwise and to carry on the business of mechanical engineers, electricians and manufacturers of and dealers in all apparatus and things required for or capable of being used in connection with such business.

- (4) To purchase or otherwise acquire by cultivation or in any other manner seeds and agricultural produce of any description whatever and to press or otherwise treat the same and prepare oil or other preparation therefrom and to sell and barter such seeds and agricultural produce or otherwise dispose of oil and other products so prepared and also to work up any oil and products and other material into any form, shape or mark and to sell or otherwise dispose of the same.
- (5) To purchase and hold in free or on lease or otherwise and to make advances on any land or lands in British India or elsewhere and to purchase, acquire, hire, hold, make and maintain roads, canals, watercourses, ferries, piers, wharves and other ways and to make, construct, purchase, acquire, hire, hold, improve, alter, manage, let, sell, exchange, barter and dispose of lands, leases, buildings, warehouses, works, railways, sidings, tramways and other engines, machinery and apparatus whatsoever for the purposes of the said business or any extension thereof.
- (6) To erect upon the said land to be acquired as aforesaid and upon any other lands and property which may hereafter be purchased or leased or acquired by the said Company such mills, buildings, houses and erections as may be required for carrying on the said business or businesses and to purchase and put into working order such machinery and other accessories as may from time to time be required for carrying on the said business or businesses or any of them.
- (7) To construct, carry out, maintain, improve, manage, work, control and superintend any hats, markets, reservoirs, waterworks, tanks, bridges and works in connection therewith, hydraulic works, electrical works and factories, collie lines and houses, bustees, villages and other works and conveniences which may seem directly or indirectly conducive to any of the objects of the Company and to contribute to, subsidise or otherwise aid or take part in any such operations.
- (8) To cultivate the lands and properties of the Company and to develop the resources of the same by draining, clearing, planting, pasturing or farming and for the purposes aforesaid to purchase from time to time such live-stock and employ such labour and from time to time to sell all or any part of the live or dead-stock, timber and produce of the said lands as may be necessary for the carrying on the business of planting and farming and pasturing of the said lands.

Sub-clause 9A as included by a Special Resolution of the Company dated 17th June, 2010.

- (9) To purchase, charter, hire, build or otherwise acquire steam or other ships or vessels, steam launches, flats, barges and cargo boats with all equipments and furniture and to employ the same in the conveyance of passengers, mails, livestock, grain and other agricultural produce and treasure and also of goods and merchandise of every description and specie on the principal rivers of India with their tributaries, and also to run vessels to sea to any port or ports whatsoever whether inland, seaboard or foreign, and to take vessels, flats, barges and other steam craft in tow of its vessels as the Company may from time to time determine and to acquire postal subsidies and enter into mail or other contracts.
- (9A) To build, construct, acquire, erect, install, operate, maintain, develop, promote, manage, repair, administer, provide, infrastructural facilities for ports, jetties, warfs, piers, docks, embankments, bulk, break bulk, dry bulk cargo, multipurpose and specialized cargo berths, stockyard and rail infrastructure, terminals, general terminals, marine terminals, cargo terminals, container terminals, transport systems, clearing and handling systems, cargo handling, berths, shorecrains, ship manifolds, fork lifts, bunkers, cargo houses, navigational channels, depth maintenance, navigation marks, dredging, dry docking, tunnels, canals, work shops, shipways, hangers, derricks, pipe lines for supply of water, oil, fuel, sewage, petrochemicals, chemicals, warehouses, cold storages, godowns, ship stores, sheds, container freight stations and services, port crafts and equipment, tank farms, tugs, pilotage and carnage services, container handling facilities, floating dry dock and vessel repair facilities, setting up of captive power plant, installation of equipment, handling equipment, loading equipment and supporting infrastructure, to acquire marine related technology and undertake underwater work on ports, docks, tugs, terminals, jetties and ship repairs, establish and maintain work lines of power, fuel, steam, aerial communications between ports, ships and other transports and to act as marine consultants, marine engineers and advisors.
- (10) To purchase coal, timber, cattle, live stock, salt, kerosene oil, plant, machinery, treasure, stores, goods and merchandise and to deal with and dispose of the same by sale or otherwise.
- (11) To sell, let, charter or otherwise dispose of the said vessels or other property of the Company.
- (12) To carry on the business of shipowners in all its branches.
- (13) To carry on the business of warehousemen and wharfingers.
- (14) To carry on the business of underwriters or insurers of ships, goods or merchandise or other property.

- (15) To enter into any contract or arrangement or other dealing for the more efficient conduct of the traffic or business of the Company or any part thereof.
- (16) To export manufactured goods, produce oil seeds into other markets.
- (17) To carry on the business of carriers by rail or otherwise on land and by water.
- (17A) To carry on, in all its branches, the business of manufacturers, importers and exporters of and dealers in Calcium Carbide and other chemicals including heavy chemicals and all products analogous to or connected therewith and to purchase and vend all materials raw, processed or otherwise and all articles in any way connected with the aforesaid business. Sub-Clause (17A) as included by a Special Resolution of the Company dated 6th January, 1954 and confirmed by or Order of the Calcutta High Court dt. 28th June, 1954.
- (17B) To carry on the business of manufacturers, producers, processors, traders, importers, exporters, consignors, consignees, principals, owners, agents, factors, buyers, sellers of and dealers in all kinds of textiles, fabrics, yarn, hosiery and other goods made from cotton, viscose, polyester, filament, acrylic, rayon, silk, linen, wool, staple fibre, synthetics, and any other fibre or fibrous material, whether synthetic, artificial or natural textile substances, allied products, bi-products and substitutes for all or any of them and to treat and utilise any waste arising from any such manufacture, product or process whether carried on by the Company or otherwise. Sub-clauses 17B to 17K included by a Special Resolution of the Company dated 18th September, 1991 and Confirmed by the Order of the Company Law Board Calcutta dated 28th February, 1992
- (17C) To carry on business as manufacturers, producers, traders, exporters, importers, consignees, consignors, principals, owners, agents, general commercial company and on either wholesale or retail all or any of the business and goods including following, that is to say, all kinds of linoleum, PVC floor coverings, carpets, wall paper and all kinds of floor coverings and wall coverings and decoratives, fertilizers, manures, pesticides, insecticides and other products used for agricultural and other farming work, gums, guar seeds, guar gums and other industrial and household gums, timber, forest products, all kinds of pulp, paper and paper products, asbestos and all types and kinds of cement products, sugar, coal, gas, fuel, petrol and petroleum products, machinery, equipments, appliances, instruments, accessories, tools and spares, medical requirements, astronomical, photographic, sound and surgical instruments, machines and materials, drugs, pharmaceuticals, patent medicines, provisions, spices, stores, consumable articles, dry saltery, medical preparations, restoratives, food, ice, stationery, candles, perfumes, alcohol, plastics, dyes, pigments, paints, colours, varnishes, glass, cutlery glass-ware, chinaware, aviation materials, grinding materials, abrasives, machineries of all kinds and descriptions, electrical stores, ceram-

ics, plumbing and sanitary ware, aerated and mineral waters, confectioneries, leather and leather goods and other allied products, bi-products and substances and substitutes for all or any of them and also to import, export, trade and deal in all kinds of merchandise, commodities, goods, wares, materials, produce and products.

- (17D) To carry on the business of processing, converting, manufacturing, formulating, using, buying, selling, acquiring, storing, packaging, dealing, transporting, distributing, importing, exporting and disposing of all types of organic and inorganic chemicals, heavy, fine and all varieties of chemicals and chemical products, petrochemicals and other related products including Naphtha, Methane, Ethylene, Prolysis Gasolene, Heavy Fuel Oil (CBFS), C-4 Raffinates, High Density Polyethylene, Vinyl Chloride Monomer, Monoethylene Glycol, Propylene, Butenes, Naphthalene, Cyclohexane, Cyclohexanone, Benzene, Acetic Acid, Cellulose, Acetate, Vinyl Acetates, Caprolactum, Adipic Acid, Hexamethylene, Diamine, Nylon, Nylon-6, Nylon-6.6, Nylon-6.10, Nylon-6.11, Nylon-7, their fibres, Castings, mouldings, sheets, rods etc., Orthoxylene, Phthalic Anhydride, alkyd resins, Polyester Staple Fibre, Polyester Filament yarn, Nylon Filament Yarn, Nylon Tyre Cord, Synthetic Rubbers, Engineering Plastics, Mixed Xylenes, Paraxylene, Metaxylene, Toluene, Cumene, Phenol, Styrene, Butadiene, Methacrolein, Maleic Anhydride, Methacrylates, Urea, Methanol, Formaldehyde, UF, PF, and MF resins, Hydrogencyanide, Poly-methyl, Methacrylate, Acetylene, Poly Vinyl chloride, Polyethylene, Plastics, Melamine and derivatives thereof, whether liquid, solid or gaseous, Dichloride Ethylene oxide, Ethyleneglycol, Polyglycols, Polyurethanes, Parasylenes, Polystyrenes, Polypropylene, Isopropanol, Acetone, Propylene Oxide, Propylene glycol, Acrylonitrile, Acrolin, Acrylic esters, Acrylic Fibres, Alkyl Chloride, Epichlorohydrin, Aliphatic and Aromatic Alcohols, Aldehydes ketons, Aromatic Acid, Anlu-phrides, Vinyl Chloride Acrylics, Esters or Ortho, meta and tere-phthalic Acids and all Gases, Epoxy resins and all other Petrochemical products and polymers in all their forms like resins, fibres, sheets, mouldings, castings, compounds, cellophane, colour paints, varnishes, disinfectants, insecticides, fungicides, deodorants, as well as bio-chemical, pharmaceutical, medicinal, sizing, bleaching photographic and other preparations.

Sub-clause 17E as substituted by a Special Resolution of the Company dated 17th June, 2010.

- (17E) To generate, develop, accumulate, produce, manufacture, purchase, process, transform, distribute, transmit, sale, supply, sub-contract and/or otherwise import, export, deal in any kind of power or electrical energy using coal, lignite, petroleum products or any other substances, wind energy, solar energy, wave energy, tidal energy, hydro energy,

thermal energy, nuclear energy, atomic energy or any other form of energy and any products or by-products derived from any such business of energy and to set up power plants, wind turbines, power stations, hydel power station, solar energy systems or any other facility to generate power and to produce, manufacture, buy, import, sale, treat, exchange, renovate, alter, modernize, install or otherwise deal in any type of machinery, equipment, implement, material, article, and stores for generating, distributing, transmitting energy, including electricity and to deal with all persons including Companies, government and semi-government bodies for these purposes and to do all such acts, deeds and things including construction, laying down, establishing, fixing and to carry out all necessary activities for the aforesaid purpose.

- (17F) To carry on the business of manufacturers, producers, processors, buyers, sellers, importers, exporters and dealers in electric cables, power cables, telecommunication cables and all other kinds of cables, wires, conductors, capacitors, electrical goods and appliances, electrical machinery, electronic goods, equipments, accessories and appliances, computers and other data processing machines and equipments, transformers, switchgears, control gears, electric motors, equipments, generators, Switch boards, circuits, gramophones, wireless equipment, radios, televisions, teleprinters, transistors, tenses, fancy goods.
- (17G) To acquire, manufacture, assemble, purchase, deal in sell, ply, run or hire out motor vehicles, motor cycles, cycles, tractors, earth-moving machineries, forklifts, railways, locomotives, wagons, Ships, Vessels, Shipping lines, boats, flats, barges, launches, cargo boats, submarines, airships, aeroplanes, Seaplanes, flying boats, hydroplanes, air-crafts and aerial conveyances of every description and all kinds of transport or conveyances by air, sea or land for passengers, merchandise or goods whether propelled or moved or assisted by means of petrol, spirit, electricity, steam, oil, vapour, Gas, Petroleum or any other motive power and/or their spares, parts, assemblies, accessories, auto ancillaries, auto trim parts and all other materials and products in any way connected with the aforesaid business.
- (17H) To acquire, purchase, take on lease or exchange, lands, buildings, machineries, factories and to carry on and work the business of cultivators, vinedressers, manufacturers, processors and dealers in tea, coffee, tobacco, sugarcane, cotton, jute, hemp, flax, foodgrains, oil seeds, nuts, vegetables, fruits, flowers, cereals, pulses, seeds or other produces of the soil; to prepare, manufacture, process, crush, pack, case, preserve and render marketable any such produce, and to buy,

import, export, dispose of and deal in any such produce either in its prepared, manufactured or raw state.

- (17I) To carry on the business of manufacturers, exporters, processors, importers, sellers, buyers and/or dealers in rubber, synthetic rubber, vulcanising materials, rubber tubes, tyres, films, moulded goods, foam rubber, hygienic goods made of rubber and latex, other rubber products, transmission belts and conveyors, rubber containers, bottles and closures and rubber lined vessels, toys and other allied goods, leather, floor, cloth, dress preservers, dress lining, umbrellas, waterproof goods and all kinds of articles made therefrom.
- (17J) To act as Financial Consultants, Management Consultants, Project Consultants, Technicians, Designers, Planners, Erectors, Superintendents, Testers, Contractors and to provide advisory services in the area of finance, trade, commerce and industry, Investment, Planning, Portfolio Planning and to implement projects on turn-key basis.
- (17K) To carry on the business of hire purchase, leasing, financing, buying, selling, hiring or letting on hire or otherwise deal in all kinds of immovable and moveable properties including land, buildings, plant and machinery, equipments, ships, aircraft, automobiles, computers and all consumers, commercial and industrial and household items and appliances.
- (17L) To mine, quarry or beneficiate coal and manufacture coke and other by-products of coal, purchase or otherwise acquire all minerals and other materials of every kind needed for or resulting from the mining, manufacturing, production or processing of coal, coke and other by-products of every kind and for this purpose, to install, operate and manage all necessary plants, mines, establishment, works and to promote, operate and carry on the business of coal washeries and to process, make, market, use, sell and dispose of any materials produced as a result of the above activities.
- (17M) To carry on the business of Real Estate and construction including construction and development of roads and for that purpose, buy, sell, purchase, lease, sub-lease or on rent or on tenancy or on license or otherwise maintain, develop, demolish, construct, build, erect, alter, repair, remodel and turn to account any land or buildings owned or acquired or leased by the Company in which the Company may be interested as owners, lessors, lessees, licensees, architects, builders, interior decorators, designers, vendors, contractors, property developers, and Real Estate owners and agents whether such land or building or the development thereof be for or in respect of residential or commercial purposes such as multistoried buildings, complexes,

Sub-clauses 17L, 17M & 17N as included by a Special Resolution of the Company dated 17th June, 2010.

houses, flats, offices, shops, garages, cinemas, theatres, business and amusement parks, industrial growth centre, hotels, restaurants, motels, pubs, inns, taverns, resorts or other structures and purchasing, holding in stock or selling materials or trading in construction materials and building accessories, electrical, sanitary, plumbing and other fixtures, fittings, equipments, plant, machinery, tools & appliances including furniture, fixtures, household goods, land, decoration materials.

- (17N) To carry on the business of all kinds of cold storage and refrigeration including the business of manufacturers and dealers in all kinds of ice making refrigeration and cold storage, apparatus, machineries, equipments, systems used in connection with the same.
- (18) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the aforementioned businesses or any of them or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (19) To acquire and undertake the whole or any part of the business property and liabilities of any person or Company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of this Company.
- (20) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise or amalgamate with any person or Company carrying on or engaged in or about to carry on engaged in any business or transaction capable of being carried or conducted so as directly or indirectly to benefit this Company and to lend money to or guarantee the contracts of or otherwise assist any such person or Company and to take or otherwise acquire shares and securities of any such Company or in any other Company having objects altogether or in part similar to those of this Company and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same.
- (21) To sell, let, exchange or otherwise deal with the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of this Company and if thought fit to distribute the same among the shareholders of this Company.
- (22) To Promote any other Company for the purpose of acquiring all or any of the property and liabilities of this Company or for any other

purpose which may seem directly or indirectly calculated to benefit this Company.

- (23) To receive on deposit at interest or otherwise and to lend money on mortgage of immovable property or on hypothecation or pledge of movable property to such person and on such terms as may seem expedient and in particular to customers of and persons having dealings with the Company.
- (24) To purchase or otherwise acquire any patents, *brevets d'invention*, licence, concessions, monopolies, and the like conferring any exclusive or non-exclusive or limited right to use any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit this Company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property and right so acquired.
- (25) To enter into any arrangements with the Government of India or any local Government or with any authorities, municipal, local or otherwise, or with any Rajahs, Zamindars, Landholders or other persons that may seem conducive to the Company's objects or any of them, and to obtain from such Government or authority, Rajahs, Zamindars, Landholders or other persons any rights, privileges and concessions which the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- (26) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit employees or ex-employees of the Company or the dependents or connections of such persons and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition or for any public, general or useful object.

Sub-clauses 26A and 26B as included by a Special Resolution of the Company dated 21st September 1978 and confirmed by an order of the Company Law Board, Eastern Region Bench, Calcutta Dated 20th November 1979.

- (26A) To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "programme of rural development" shall also include any programme for promoting the social and economic

welfare of or the uplift of the public in any rural area which the Directors consider it likely to promote and assist rural development, and that the words, 'rural area' shall include such area as may be regarded as rural areas under Section 35CC of the Income Tax Act, 1961 or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts as may be approved by Government.

- (26B) To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the public or any section of the public and in such manner and by such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc., or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, trust, etc., having anyone of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and the Directors may, at their discretion, in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts as may be approved by Government.
- (27) To distribute any of the property of the Company among the members in specie but so that no distribution amounting to a reduction in capital be made without the sanction of the Court, if requisite.

Sub-clause 29 as substituted by a Special Resolution of the Company dated 17th June, 2010.

- (28) To make, accept, endorse, execute and issue Promissory Notes, Bills of Exchange, Bills of Lading, Debentures and other negotiable or transferable instruments.
- (29) To invest or deposit the moneys of the Company not immediately required in such securities or in such manner as may determined from time to time.
- (30) To guarantee the performance of contracts by members of or persons having dealings with the Company.
- (31) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital, if any, and to apply the same or any part thereof for all or any purposes of the Company and to purchase, redeem or pay off any such securities.
- (32) To remunerate any person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures; debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business.
- (33) To establish agencies or branches for the purchase and sale of goods of all descriptions in India, England or elsewhere and to undertake the management of any Company or Companies having objects altogether or in part similar to those of this Company.
- (34) To manage, let, mortgage, sell, underlet, or otherwise turn to account, dispose of, or deal with all or any part of the real or immovable and personal or movable property and rights of the Company whenever and however acquired.

Sub-clause 35 as substituted by a Special Resolution of the Company dated 17th June, 2010.

- (35) To do and perform all such other acts and things as are incidental or conducive to the attainment of the above objects or any of them.
- (36) To do all or any of the above things as principals, agents, contractors, trustees or otherwise and either alone or in conjunction with others.

MEMBERS' LIABILITY

4. The liability of the members is limited.
5. ** The Authorised Capital of the Company is Rs. 100,00,00,000/- (Rupees One hundred crores only) divided into 9,00,00,000 (Nine crores) Ordinary Shares of Rs.10/- each and 10,00,000 (Ten lacs) Preference Shares of Rs. 100/- each with power to the Board of Directors to sub-divide, consolidate and increase or reduce the Capital of the company and to issue any share of the original capital or any new capital and to divide the shares for the time being of the Company into several classes of stock or shares and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions thereto as it may consider appropriate with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as it may consider appropriate.

** As per the Resolution passed at the Extraordinary General Meeting held on 9th October, 2000.

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

Dated the 25th day of August, 1919.

Names, Address and Descriptions of Subscribers.	No. of Shares taken by each Subscriber.	Name, Address and Description of Witness
GHANESHYAM DASS BIRLA, Merchant, 137, Canning Street, Calcutta.	One	AMIYA N. SEN, Articled Clerk, Messrs. Morgan & Co., 1, Hastings Street, Calcutta.
H. GIVEN-WILSON, Solicitor, 1, Hastings Street, Calcutta.	One	
A. E. MITCHELL, Solicitor, 1, Hastings Street, Calcutta.	One	
GEO. L. ALLAN, 2, Old Court House Corner, Calcutta.	One	
C. C. EVENNETT, Assistant to Morgan & Co., Solicitors, Calcutta.	One	
C. W. FOLEY, Solicitor, Calcutta.	One	
B. E. T. POLLARD, Solicitor, 1, Hastings Street, Calcutta.	One	
Total –	Seven	

Dated the 25th day of August, 1919.

Company Petition No. 546 of 1982
Connected with
Company Application No. 206 of 1982
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION

President of the Union of India

In the matter of the Companies Act, 1956

And

(SEAL)
The Honourable
Mr. Justice
T. K. Basu

In the Matter of an application under Section 391 (2)
and 394 of the said Act.

And

In the matter of the Birla Jute Manufacturing
Company Limited, an existing company within the
meaning of the Companies Act, 1956 having its
registered office at No. 9/1, R. N. Mukherjee Road,
Calcutta within the jurisdiction aforesaid.

And

In the matter of Bally Jute Company Limited an
existing company within the meaning of the
Companies Act, 1956 having its registered office at
No. 9/1, R. N. Mukherjee Road, Calcutta within the
jurisdiction aforesaid.

1. The Birla Jute Manufacturing Co. Ltd.
2. Bally Jute Company Limited.

– Petitioners

The above petition coming on for hearing on this day upon reading
the said petition the order dated the sixth day of October in the year One
thousand nine hundred and eightytwo whereby the abovenamed petitioner,
No.2, The Bally Jute Company Limited (hereinafter referred to as the said
transferor company) and the abovenamed the Petitioner No.1 The Birla Jute
Manufacturing Company Limited (hereinafter referred to as the said transferee
company) were ordered to convene separate meetings of the Ordinary and
Preference Shareholders of the said transferor company and the said transferee

company for the purpose of considering and if thought fit approving with or without modification a Scheme of Amalgamation of the said transferor company with the said transferee company and annexed to the joint affidavit of Ramnarayan Yadav and Deepak Kumar filed on the sixth day of October in the year One thousand nine hundred and eightytwo, The Statesman and Ajkal both dated the thirteenth day of October in the year one thousand nine hundred and eighty two each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated the sixth day of October in the year one thousand nine hundred and eightytwo the joint affidavit of Ramnarayan Yadav and Deepak Kumar filed on the twenty second day of November in the year one thousand nine hundred and eightytwo showing the publication and despatch of the notices convening the said meetings, the reports of the Chairman of the said meetings respectively dated the twenty sixth day of November in the year one thousand nine hundred and eighty two and the twenty seventh day of November in the year one thousand nine hundred and eightytwo as to the result of the said meetings And upon reading on the part of the said transferor company and the said transferee company an affidavit of Lakshmi Narayan Shastri filed on the eighth day of December in the year one thousand nine hundred and eightytwo and the exhibits therein referred to and upon reading the order made herein and dated the twentyninth day of November in the year one thousand nine hundred and eighty two and upon hearing Mr. S. B. Mukherjee (Miss Kum Kum Roy appearing with him) advocate for the said transferor company and the said transferee company and it appearing from the reports that the proposed Scheme of Amalgamation has been approved by a majority of not less than three-fourths in value of the ordinary and preference shareholders of the transferor company and the transferee company And this application being treated to have been placed in the day's list of Company Matters Adjourned.

This Court doth hereby sanction the Scheme of Amalgamation set forth in Annexure 'G' of the Petition herein and specified in the Schedule 'A' hereto and doth hereby declare the same to be binding with effect from the first day of April in the year one thousand nine hundred and eightytwo (hereinafter referred to as the said transfer date) on the said transferor company and the said transferee company and their shareholders respectively.

This Court doth order

1. That all the properties rights and interests of the said transferor company specified in the first, second and third parts of the Schedule 'B' hereto and all the other properties rights and interests of the said transferor company be transferred from the said transfer date without further act or deed to the said transferee company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the said transferee company for all the estate and interest of the transferor company therein but subject nevertheless to all charges now affecting the same and

2. That all the liabilities and duties of the said transferor company be transferred from the said transfer date without further act or deed to the said transferee company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the said transferee company and

3. That all proceedings and/or suits and/or appeals now pending by or against the said transferor company be continued by or against the said transferee company and

4. That the said transferee company do without further application issue and allot to every member of the said transferor company shares and/or debentures in the said transferee company as mentioned in paragraph 6 of the Part II of the said scheme of amalgamation.

5. That the said transferor company and the said transferee company do within thirty days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies, West Bengal for registration and

6. That the official Liquidator of this Court do make a report under Second proviso to section 394 (1) of the Companies Act, 1956 within three months from the date of this order and

7. That the said official Liquidator do serve a copy of the said report under Second proviso to Section 394 (1) of the Companies Act, 1956 on the usual terms to M/s. Khaitan & Co., Advocates for the said transferor company and the said transferee company and

8. That leave be and the same is hereby granted to the said transferor company and the said transferee company to apply for dissolution without winding up of the said transferor company after the said report is filed by the said official Liquidator and

9. That any person interested shall be at liberty to apply to the Court in the above matter for any direction that may be necessary and

10. That leave be and the same is hereby granted to the said transferor company to file the Schedule of Assets by the fifteenth day of December in the year one thousand nine hundred and eighty two and

11. That the said official Liquidator and all parties do act on a copy of the minutes of this order duly signed by an officer of this court being served on them.

Witness Shri Samohu Chandra Ghose, Chief Justice at Calcutta aforesaid this fourteenth day of December in the year one thousand nine hundred and eighty two.

Khaitan & Co. Advocates

S. K. Bose
20.12.82
for Registrar

[4]

Schedule 'A' Above Referred To

Scheme of Amalgamation

of

Bally Jute Company Limited

with

The Birla Jute Manufacturing Company Limited

Part-I

Definitions

For the purpose of this Scheme :

A. Transferor company shall mean Bally Jute Company Limited a Company incorporated under the Indian Companies Act, 1913 having its registered Office at No. 9/1, R. N. Mukherjee Road, Calcutta-700001.

B. Transferee Company shall mean The Birla Jute Manufacturing Company Limited a company incorporated under the Indian Companies Act, 1913 and having its registered Office at No. 9/1, R. N. Mukherjee Road, Calcutta-700001.

C. Transfer date shall mean 1st day of April, 1982 or such other date as may be directed by the court and/or decided by the Directors of both the said transferor and the transferee Companies.

Part-II

Scheme

1. With effect from the transfer date all rights, powers, interests, privileges and all properties whether immovable or moveable, real, personal choses in action contingent whatsoever situate including lease, tenancy and agency rights licences shall without further act or deed be transferred to and be vested or deemed to be vested in the transferee company Pursuant to Section 394 (2) of the Companies Act, 1956 (hereinafter called the Act) subject to all charges, liens, mortgages, if any, then affecting the same or any part thereof.

2. With effect from the transfer date all liabilities, duties and obligations of the transferor company shall without further act or deed be transferred to and be vested or deemed to be vested in the transferee company pursuant to Section 394 (2) of the Act.

3. If any suit, appeal or other proceedings of whatsoever nature (hereinafter called the proceedings) by or against the transferor company be pending the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the transferor company or anything contained in this scheme but the proceedings

may be continued prosecuted and enforced by or against the transferee company in the same manner and to the same extent as it would be or might have been continued prosecuted and enforced by or against the transferor company if this scheme had not been made.

4. The transfer and vesting of property and liabilities under clauses 1 and 2 hereof and the continuance of the Proceedings by or against the transferee company under Clause 3 hereof shall not affect any transaction or Proceedings already concluded by the transferor company on and after the transfer date to the end and intent that the transferee company accepts and adopts all acts deeds and things done and executed by the transferor company.

5. Subject to other provisions contained in this scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the transferor company is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of the transferee company and may be enforced as fully and effectively as if instead of the transferor company the transferee company had been a party thereto.

6. Upon the scheme being sanctioned by the Hon'ble High Court at Calcutta and transfer taking place as stipulated under clauses 1 and 2 hereof.

- (a) The transferee company shall allot to every member or nominee or nominees of every member of the transferor company who shall require the transferee company to do so ordinary shares and secured debentures in the following proportions:
 - (i) One ordinary share of Rs. 10/- each fully paid up in the share capital of the transferee company for every six ordinary shares of Rs. 10/- each fully paid up held in the share capital of the transferor company.
 - (ii) One 15% Secured Redeemable Debenture of Rs. 100/- fully paid up (Redeemable at par at the end of seven years from the date of issue) in the transferee company for every one 10% Cumulative Preference Share of Rs. 100/- fully paid up held in the share capital of the transferor company.
- (b) The 10% Cumulative Preference Shareholders of the transferor company hereby waives arrear dividends for the financial years ended 31st March 1981 and 31st March 1982 respectively in consideration of the Secured Debentures to be allotted in the transferee company as aforesaid.
- (c) No member of the transferor company shall be allotted any fractional part of the shares to which he may be entitle arising out of his entitlements aforesaid but all such shares of the transferor company representing fractions shall be consolidated and shares of the transferee company shall be allotted against such consolidated shares in the ratio aforesaid to a trustee as may be nominated by the Board of Directors of the transferee

company upon the terms that he shall sell the same and pay net proceeds after deducting the costs of sale to those members of the transferor company entitled thereto in the proportion in which they are so entitled and such members shall accept the same in lieu of such fractions. After consolidation of fractional part of share if any fraction is left out, the transferee company shall pay to the trustee the value of such fractions at the rate of Rs. 8/- per share of the transferor company and the same shall be added to the net sale proceeds for payment as aforesaid.

- (d) Every member of the transferor company shall surrender to the transferee company for cancellation his Share Certificate(s) in respect of shares held by him in the transferor company and take all steps to obtain from the transferee company a certificate for shares or Debentures in the transferee company to which he may be entitled under sub-clause (a) or (c) hereof as may be applicable.
- (e) All the shares to be issued and allotted under sub-clause (a) (c) hereof as may be applicable shall rank *pari passu* in all respects with the existing shares in the transferee company.
- (f) The shares held by the transferee company in the transferor company, if any, as on the date of allotment as aforesaid shall stand cancelled.

7. The transferee company will on such transfer take over all employees and workers of the transferor company on the terms and conditions which are not in any way less favourable than those on which they are employed by the transferor company with continuity of service.

Part-III

1. Necessary application and/or petitions shall be made to the Hon'ble High Court at Calcutta for the sanction of this Scheme of Amalgamation.

2. Until the Scheme is sanctioned and transfers effected as aforesaid the transferor company shall carry on its business for and on behalf of and in trust for the transferee company with effect from the transfer date.

3. The transferee company shall pay all the costs, charges and expenses of and incidental to this Scheme of Amalgamation.

4. The Board of Directors of the transferor company and the transferee company may assent on behalf of all concerned to any modification(s) to the said Scheme of Amalgamation or to any condition which the Hon'ble High Court at Calcutta or any other authority or institution may think fit and which the Board of Directors may accept. The said Board of Directors is authorised to do all acts, things and deeds necessary in connection with or to carry out the Scheme into effect.

S. K. Bose
20.12.82
for Registrar

Schedule 'B' Above Referred To

Schedule of Assets of Bally Jute Company Ltd. (transferor company) to be transferred to and vested in The Birla Jute Manufacturing Company Ltd. (transferee company).

Part-I

Short description of the Freehold Properties of the transferor company.

(a) All these pieces or parcels of lands, hereditaments and premises together with the buildings and structures standing thereon containing in all area of 107.085 Bighas situated in Bally, District Howrah under the Municipality of Bally and known as Bally Jute Mill No. 1.

(b) All those pieces or parcels of lands, hereditaments and premises together with the buildings and structures standing thereon containing in all area of 42 Bighas and 6 Cottahs and now comprised in and merged within the Corporation of Calcutta under different Premises numbers as follows that is to say:

- (1) 102 Narkeldanga Main Road (2) 103/1/1 Narkeldanga Main Road (3) 36A Motilal Basak Lane (4) 36/A/3 Motilal Basak Lane (5) 27 Motilal Basak Lane (6) 103/1/1/3 Narkeldanga Main Road and (7) CIT Plot No. 97. All the aforesaid lands are situated within the Sub- Registration Dist. of Sealdah in the Suburbs of the town of Calcutta.

Part – II

Short-description of leasehold Property of the transferor company.

Nil

Part – III

Short description of all Stocks, Shares, Debentures and other choses in action of the transferor company.

Investments

Quantity

(a) Fully paid Shares

Ordinary shares of Rs. 100/- each in Ghillidary Tea Co. Ltd.	400
Shares of Rs. 10/- each in Bally Jute Mills Employees Consumers Co-operative Stores Ltd.	250
Ordinary Shares of Rs. 10/- each in Gwalior Webbing Co. Ltd.	20,000
Ordinary Shares of Rs. 100/- each in Associated Jute Bleachers & Printers Ltd.	998
Ordinary Shares of Rs. 10/- each in Bihar Alloy Steels Ltd.	40,000
Ordinary Shares of Rs. 10/- each in Universal Cables Ltd.	7,500
Ordinary Shares of Rs. 10/- each in Birla Buildings Ltd.	24,000

(b) Debentures

1/2% Debentures of Rs. 100/- each in East India Clinic Limited.	52
8% Debentures of Rs. 100/- each in Indian Chamber of Commerce.	25

(c) Government Securities

National Savings Certificates 12 year National Defence Certificates

S. K. Bose
20.12.82
for Registrar

[8]

C.P. No. 546 of 1982 Connected with

CA No. 206 of 1982

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

In the matter of Companies Act, 1956

and

In the matter of Birla Jute Mfg. Co. Ltd.

& Bally Jute Co. Ltd.

- (i) Date when the decree or order
was completed 20.12.82
- (ii) Date of application for copy 14.12.82
- (iii) Date of notifying the requisite
number of folios and stamp 20.12.82 Order of 14th day of December,
1982 Filed this 20th day of
December, 1982
- (iv) Date of delivery of the requisite
folios and stamp 20.12.82
- (v) Date on which the copy is
ready for delivery 23.12.82
- (vi) Date when delivery was taken
of the copy by the applicant 23.12.82

Biren Mukherjee
Superintendent
Company Matters Department

Sd/
Superintendent
Copyists' Department
High Court, O.S.

Khaitan & Co.
Attorney

Company Petition No. 425 of 1991

Connected with

Company Application No. 246 of 1991

**IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION**

President of the Union of India

In the matter of the Companies Act, 1956

And

(SEAL)
The Hon'ble
Mr. Justice Hazari

In the matter of an application under Sections 391 (2) and 394 of the said Act.

And

In the matter of India Linoleums Limited, an existing Company within the meaning of the Companies Act, 1956 and having its registered office at Birla Building, 9/1 R N. Mukherjee Road, Calcutta-700 001 within the aforesaid jurisdiction.

And

In the matter of Birla Jute & Industries Limited, an existing Company within the meaning of the Companies Act, 1956 and having its registered office at Birla Building, 9/1 R N. Mukherjee Road, Calcutta-700 001 within the aforesaid jurisdiction.

1. India Linoleums Limited.
2. Birla Jute & Industries Ltd.

—Petitioners

The above petition coming on for hearing on this day upon reading the said petition the order dated the tenth day of October in the year one thousand nine hundred and ninety one whereby the abovenamed petitioner no. 1 India Linoleums Limited (hereinafter referred to as the said transferor company) and the above named petitioner no. 2 Birla Jute and Industries Limited (hereinafter referred to as the said transferee company) were ordered to convene separate meetings of the equity shareholders of the said transferor company and the ordinary shareholders of the said transferee company for the purpose of considering and if thought fit approving with or without

modification the scheme of amalgamation proposed to be made between the said transferor company and the said transferee company and annexed to the joint affidavit of Subhas Chandra Shah and Rajendra Prasad Pansari filed on the ninth day of October in the year one thousand nine hundred and ninety one, the Statesman and the Ananda Bazar Patrika both dated the ninth day of November in the year one thousand nine hundred and ninety one each containing the advertisement of the said notice convening the said meeting directed to be held by the said order dated the tenth day of October in the year one thousand nine hundred and ninety one, the affidavit of Lakshmi Narayan Shastry filed on the eighteenth day of October in the year one thousand nine hundred and ninety one showing the publication and despatch of the notices convening the said meeting, the reports of the chairman of the said meetings both filed on the eleventh day of December in the year one thousand nine hundred and ninety one And upon reading on the part of the petitioner companies another affidavit of the said Lakshmi Narayan Shastry filed on the seventh day of January in the year one thousand nine hundred and ninety two and the exhibits therein referred to And upon reading the order made herein and dated the sixteenth day of December in the year one thousand nine hundred and ninety one and upon hearing Mr. P. C. Sen (Mr. A. K. Jhunjhunwalla appearing with him), advocate for the petitioner companies and Mr. S. D. Singh, advocate for the Central Government and it appearing from the said reports that proposed scheme of amalgamation has been approved unanimously by the equity shareholders of the said transferor company and by a requisite majority of the ordinary shareholders of the said transferee company And the said Mr. S. D. Singh submits before this Court that the Company Law Board has no objection so far as the proposed scheme of Amalgamation being concerned.

This Court doth hereby sanction the scheme of Amalgamation set forth in Annexure A of the petition herein and specified in the schedule A hereto and doth hereby declare the same to be binding with effect from the first day of April in the year one thousand nine hundred and ninety one (hereinafter referred to as the said transfer date) on the said transferor company and the said transferee company and their shareholders and all concerned.

This Court doth order

1. That all the properties rights and interests of the said transferor company specified in the first, second and third parts of the schedule B hereto be transferred from the said transfer date without further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and vested in the said transferee company for all the estate and interest of the said transferor company therein but subject nevertheless to all charges now affecting the same and

2. That all the liabilities and duties of the said transferor company be transferred from the said transfer date without further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the said transferee company and

3. That all proceedings and/or suits and/or appeals now pending by or against the said transferor company be continued by or against the said transferee company and

4. That leave be and the same is hereby granted to the petitioner companies to file the schedule of assets of the said transferor company within three weeks from the date hereof and

5. That the said transferor company and the said transferee company within thirty days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies, West Bengal for registration and

6. That the said Official Liquidator do file a report under second proviso to section 394(1) of the Companies Act, 1956 in respect of the said transferor company within six weeks from the date hereof and

7. That the said Official Liquidator do forthwith serve a copy of the said report to be filed by him on M/s Khaitan & Co, Advocates for the petitioner companies after filing of the said report with this court and

8. That leave be and the same is hereby granted to the said transferee company to apply for the dissolution without winding up of the said transferor company after filing of the said report by the said Official Liquidator and

9. That any person interested shall be at liberty to apply to this Court in the above matter for such directions as may be necessary and

10. That all parties do act on a copy of the minutes of this order duly signed by an officer of this Court being served on them.

Witness Shri N. P. Singh Chief Justice at Calcutta aforesaid this fourth day of February in the year one thousand nine hundred and ninety two.

Khaitan & Co. Advocates

J. Nandi
17.3.92
for Registrar

[4]

Schedule 'A' Above Referred To

Scheme of Amalgamation

of

India Linoleums Limited

with

Birla Jute & Industries Limited

Part-I

Definitions

For the purpose of this Scheme :-

1. "The Transferor Company" means India Linoleums Limited, an existing company within the meaning of the Companies Act, 1956 and having its registered office at Birla Building, 9/1, R. N. Mukherjee Road, Calcutta 700001, in the State of West Bengal.

2. "The Transferee Company" means Birla Jute & Industries Limited an existing company within the meaning of the Companies Act, 1956 and having its registered office at Birla Building, 9/1, R. N. Mukherjee Road, Calcutta 700 001, in the State of West Bengal.

3. "Transfer Date" means the 1st day of April, 1991.

4. "Undertaking of the Transferor Company" means and includes :

(i) all the properties, assets and liabilities of the Transferor Company immediately before the amalgamation.

(ii) Without prejudice to the generality of the foregoing clause the said undertaking shall include all rights, powers, interests, authorities, privileges and all properties and assets, moveable or immoveable, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wherever situate including lease, tenancy and agency rights and all other interests and rights in or arising out of such property with all licenses, trade marks, import entitlements and other quotas, if any, held, applied for or as may be obtained hereafter by the Transferor Company of which the Transferor Company is entitled to and all debts, liabilities, duties and obligations of the Transferor Company of whatsoever kind.

Whereas :

1. The Authorised Share Capital of the Transferor Company is Rs. 2,00,00,000/- divided into 20,00,000 Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid up Share Capital of the Transferor Company is Rs. 62,00,000/- divided into 6,20,000 Equity Shares of Rs.10/- each fully paid up.

2. The Authorised Share Capital of the Transferee Company is

Rs. 50,00,00,000/-divided into 4,50,00,000 Ordinary Shares Rs. 10/- each and 5,00,000 Preference Shares of Rs. 100/- each. The Issued Capital of the Transferee Company is Rs. 20,37,93,870/-divided into 2,03,79,387 Ordinary Shares of Rs. 10/- each and the Subscribed and Paid up Share Capital of the Transferee Company is Rs. 20,37,49,180/- comprising of 2,03,71,318 Ordinary Shares of Rs. 10/- each fully paid up and Rs. 36,000/- towards amount originally paid up on forfeited shares.

3. The Transferor Company is engaged in the business of manufacture and sale of linoleum and is in the process of setting up a project for the manufacture of PVC floor and wall coverings. The Transferor Company is a Subsidiary of the Transferee Company.

4. The Transferee Company is a conglomerate having manifold diversified activities and is engaged in the business of manufacture and sale of cement, jute goods, calcium carbide, oxygen and acetylene gas, synthetic, viscose and cotton yarn and iron and steel castings.

5. The Transferor Company is in need of further resources for its new project and the Transferee Company has surplus resources. With a view to achieve rationalisation of the management structure and economies of scale for further and stable modernisation, growth, expansion and diversification of the respective businesses and to be able to withstand any recession in any business and for better and more profitable utilisation of combined resources of the two companies it is proposed to amalgamate the Transferor Company with the Transferee Company.

Part-II

1. With effect from the Transfer Date, the Undertaking of the Transferor Company shall without further act or deed be transferred to and be vested or deemed to be transferred to and vested in the Transferee Company pursuant to Section 394 (2) of the Companies Act, 1956 (hereinafter called "the Act") subject however, to all charges, liens, mortgages, if any, then affecting the same or any part thereof.

2. If any suit, appeal or any other proceedings of whatsoever nature (hereinafter called "the proceedings") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company if this Scheme had not been made.

3. The transfer and vesting of properties and liabilities under clause 1 hereof and the continuance of the proceedings by or against the Transferee Company under Clause 2 hereof shall not affect any transaction or proceeding already concluded by the Transferor Company on and after the Transfer date

to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by or on behalf of the Transferor Company as acts, deeds and things done and executed by or on behalf of the Transferee Company.

4. Subject to the provisions contained in this Scheme all contracts, deeds, bonds, agreements and other documents and instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively, as if instead of the Transferor Company the Transferee Company had been a party thereto.

5. Upon the Scheme being sanctioned by the Hon'ble High Court at Calcutta and transfer taking place as stipulated under Clause 1 thereof :

(a) The Transferee Company shall, without further application, issue and allot to every Equity Shareholder of the Transferor Company one Ordinary Share of Rs. 10/- each credited as fully paid up in the Transferee Company for every Five Equity Shares of Rs. 10/- each fully paid up held by such Shareholder in the Transferor Company. No Fractional share shall be issued but the aggregate of the shares representing such fractions will be allotted in the name of a Trustee to be nominated by the Board of Directors of the Transferee Company upon Trust for the purpose of selling the same and distributing the net proceeds pro-rata amongst the persons entitled thereto in proportion of the number of fraction (to shares) to which they would have been entitled if the fractional shares had been issued. All the shares to be issued and allotted as aforesaid shall rank pari-passu in all respects with the existing ordinary shares in the Transferee Company except that such shares will qualify for dividend with effect from the Transfer Date.

(b) All the shareholders of the Transferor Company shall accept the share(s) to be allotted as aforesaid in lieu of their shareholdings in the Transferor Company.

(c) Every Shareholder of the Transferor Company shall surrender to the Transferee Company for cancellation the Share Certificate (s) held by him in the Transferor Company and take all steps to obtain from the Transferee Company Certificate (s) for the Share (s) in the Transferee Company to which he may be entitled to under sub-clause (a) above.

(d) No share will be allotted by the Transferee Company in respect of the Equity Shares of the Transferor Company held by the Transferee Company and such Equity Shares shall stand cancelled.

(e) All the employees of the Transferor Company shall become the employees of the Transferee Company without interruption in service and on terms no less favourable to them than those then applicable to them.

(f) Subject to an order being made by the Court the Transferor Company shall be dissolved without winding up.

Part-III

1. The Scheme is conditional upon and subject to the following :
 - (a) The Scheme being approved by the respective requisite majorities of the members of the Transferor Company and the Transferee Company and it being sanctioned by the Hon'ble High Court at Calcutta.
 - (b) The approvals of public financial institutions and banks, wherever necessary, under any contract entered into with them by the Transferor Company and/or the Transferee Company.
 - (c) The amendment in the object clause of the Transferee Company becoming effective to enable the Transferee Company to carry on the business of manufacture of linoleum and PVC wall and floor coverings, if required.
 - (d) The certified copies of the order of the High Court at Calcutta being filed with the Registrar of Companies, West Bengal by both the Transferor Company and the Transferee Company.
2. The Transferor and Transferee Companies shall make necessary applications to the Hon'ble High Court at Calcutta for obtaining the Court's sanction of this Scheme and for the consequent dissolution without winding up of the Transferor Company.
3. Until the Scheme is sanctioned and transfers effected as aforesaid and until the Transferee Company effectively is able to takeover and obtain all necessary transfers effected with the parties concerned, the Transferor Company shall carry on its business in usual course and shall be deemed to the carrying on the said business for and on behalf of and in trust for the Transferee Company with effect from the Transfer Date.
4. The Transferee Company shall pay all costs, charges and expenses of and incidental to this Scheme of Amalgamation.
5. The Board of Directors of the Transferor and Transferee Companies or any person authorised by them may assent on behalf of all concerned to any modification to this Scheme of Amalgamation or to any condition which the Hon'ble High Court at Calcutta or the Government or any other authority may impose or which the said Board of Directors may, in their sole discretion, think fit for the purpose of effectively carrying on this Scheme and the said Board of Directors may do all acts, things and deeds as may be necessary and or expedient for the purpose of implementing this Scheme.

J. Nandi
17.3.92
for Registrar

[8]

Schedule 'B' Above Referred to

Schedule of Assets of India Linoleums Ltd. (transferor company) to be transferred to and vested in Birla Jute & Industries Ltd. (Transferee Company)

Part-I

Short description of the Freehold properties of the transferor company

- a) 6403 Sq. ft. area on 4th floor and 5.09% of the common area at premises no. 10 Camac Street, Calcutta-17.
- b) 6374 Sq. ft. area on 3rd floor at Birla Building 9/1 R. N. Mukherjee Road, Calcutta-1.

Part II

Short description of the leasehold property of the transferor Company

Nil

Part III

Short description of all investments of the transferor company

- a) 19133 ordinary shares of Rs. 10/- each fully paid up of The Rameshwara Jute Mills Ltd. Distinctive no. 265201-284333 (both inclusive)
- b) 7 years National Savings Certificates
- c) Fixed deposit no. 17290/1-26 of the Bank of Tokyo Ltd. for Rs.20000/-
- d) One certificate for an amount of deposit of Rs. 2500/- given to Indian Post & Telegraph Department.

J. Nandi
17.3.92
for Registrar

C. P. No. 425 of 1991 connected with

CA No. 246 of 1991

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

In the matter of Companies Act, 1956

and

In the matter of India Linoleums Ltd. & Anr.

- | | | |
|---|---------|--|
| (i) Date when the decree or order
was completed | 17.3.92 | |
| (ii) Date of application for copy | 5.2.92 | |
| (iii) Date of notifying the requisite
number of folios and stamp | 17.3.92 | |
| (iv) Date of delivery of the requisite
folios and stamp | 17.3.92 | |
| (v) Date on which the copy is
ready for delivery | 20.3.92 | Order of 4th day of February, 1992
Filed this 17th day of March, 1992 |
| (vi) Date when delivery was taken
of the copy by the applicant | 20.3.92 | |

K. Ghosh
Superintendent
Company Matters Department

Sd/
Superintendent,
Copyists' Department
High Court, O. S.

Khaitan & Co.
Attorneys

Company Petition No. 231 of 1996
Connected with
Company Application No. 193 of 1996
IN THE HIGH COURT AT CALCUTTA
ORIGINAL JURISDICTION

President of the Union of India

In the Matter of the Companies Act, 1956

And

(SEAL)
The Hon'ble
Mr. Justice Shyamal
Kumar Sen

In the Matter of An application under Sections 391 (2)
and 394 of the said Act;

And

In the Matter of Birla Jute & Industries Limited an
existing Company within the meaning of the Companies
Act, 1956 having its registered office at 9/1 R. N.
Mukherjee Road, Calcutta-700001 within the aforesaid
Jurisdiction.

And

In the matter of Birla-DLW Limited, a company
incorporated under the Companies Act, 1956 having
its registered office at 9/1, R. N. Mukherjee Road,
Calcutta-700001, within the aforesaid jurisdiction.

And

In the Matter of

1. Birla Jute & Industries Limited,
2. Birla-DLW Limited,

-Petitioners

The above petition coming on for hearing on this day and upon reading the said petition the order dated the twentysixth day of March in the year one thousand nine hundred and ninety six where by the above named petitioner No.1. Birla Jute & Industries Ltd (hereinafter referred to as the said transferor company) and the above named petitioner No.2 Birla-DLW Ltd (hereinafter referred to as the said transferee company) were ordered to convene separate meetings of the equity shareholders of the said transferor company and the said transferee company for the purpose of considering and if thought fit

approving with or without modification the scheme of arrangement proposed to be made between the said transferor company and the said transferee company and their respective shareholders and annexed to the affidavit of Santanu Kumar Ghosh, filed on the twenty second day of March in the year one thousand nine hundred and ninety six the "Economic Times" and the "Bartaman" both dated ninth day of April in the year one thousand nine hundred and ninety six each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated twenty sixth day of March in the year one thousand nine hundred and ninety six. The joint affidavit of Manoj Maheshwari & Santanu Kumar Ghosh filed on the twenty fifth day of April in the year one thousand nine hundred and ninety six showing the publication and despatch of the notices convening the said meetings. The report of the chairperson of the said meetings both dated the twenty third day of May in the year one thousand nine hundred and ninety six as to the result of the said meetings And upon reading on the part of the petitioner companies, an affidavit of Manoj Maheshwari filed on the twentieth day of June in the year one thousand nine hundred and ninety six and the exhibit therein referred to And upon reading the order made herein and dated the thirty first day of May in the year one thousand nine hundred and ninety six And upon hearing Mr R. Bachawat (Mr. D. Basak and Mr. Aniket Agarwal appearing with him) Advocate for the petitioner companies and Mr. S.K. Kundu, advocate for the Central Government and it appearing from the records that the scheme, if sanctioned, will be beneficial for all concerned.

This court doth hereby sanction the scheme of arrangement set forth in Annexure 'A' of the petition herein and specified in the schedule 'A' here to and doth hereby declare the same to be binding with effect from first day of April in the year one thousand nine hundred and ninety six (hereinafter referred to as the said effective date) on the said transferor company and the said transferee company and their shareholders and all concerned.

This court doth order's

1. That all the properties, rights and powers of the said transferor company pertaining to India Linoleum Unit including those specified in the first, second and third parts of the schedule 'B' hereto be transferred from the said effective date without further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956, be transferred to and be vested in the said transferee company for all the respective estates and interests of the said transferor company therein but subject nevertheless to all charges now affecting the same; and

2. That all the debts, liabilities, duties and obligations of the said transferor company pertaining to India Linoleum Unit be transferred from the said effective date without further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956, be transferred to and become the debts, liabilities and duties of the said transferee company; and

3. That all proceedings and/ or suits and/ or appeals now pending by or against the said transferor company pertaining to India Linoleum Unit be continued by or against the said transferee company; and

4. That leave be and the same is hereby granted to the said petitioner companies to file the schedule of Assets of the said transferor company as stated in paragraph twenty of the petition herein within a period of three weeks from the date hereof; and

5. That the said transferee company and the said transferor company within thirty days after the date of this order cause a certified copy thereof to be delivered to the Registrar of Companies, West Bengal for registration; and

6. That any person interested shall be at liberty to apply to this court in the above matter for such directions as may be necessary; and

7. That the petitioner companies do pay to the Central Government its costs of and incidental to this application assessed at one hundred Gold Mohurs; and

8. That all Parties concerned do act on a copy of the minutes of this order duly signed by an officer of this court being served on them.

Witness Mr. Visheshwar Nath Khare, Chief Justice at Calcutta aforesaid the twenty third day of July in the year one thousand nine hundred and ninety six.

Khaitan & Co. Advocates
S. K. Kundu, Advocate

P. Ghosh
12/8/96
For Registrar

[4]

Schedule 'A' Above Referred To

Scheme of Arrangement

Between

Birla Jute & Industries Limited

And

Birla-DLW Limited

And

Their Respective Shareholders

Part-I

Definations

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

A. "The Act" means the Companies Act, 1956.

B. "The Effective Date" means the 1st day of April, 1996.

C. "Completion of Procedures Date" means the date or the last of the dates on which the certified copies of the order passed by the Hon'ble High Court at Calcutta, sanctioning this Scheme of Arrangement, are filed with the Registrar of Companies, West Bengal by the Transferor Company and the Transferee Company.

D. "The Transferor Company" means Birla Jute & Industries Limited, an existing Company within the meaning of the Companies Act, 1956, having its registered office at 9/1, R. N. Mukherjee Road, Calcutta - 700 001, in the State of West Bengal.

E. "The Transferee Company" means Birla-DLW Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its registered office at 9/1, R. N. Mukherjee Road, Calcutta 700 001, in the State of West Bengal.

F. "The India Linoleum Unit" means the unit of the Transferor Company comprising of the linoleum manufacturing plant of the Transferor Company at Birlapur 743 318, District South 24 Parganas in the State of West Bengal and all business relating thereto and shall mean and include all the respective undertaking, properties and liabilities of the Transferor Company, pertaining to the India Linoleum Unit comprising;

(a) all properties and assets, moveable and immoveable, real and personal, corporeal and incorporeal, in possession, or in reversion, present and contingent of whatsoever nature, wheresoever situate, as on the Effective Date including all buildings, vehicles, equipment, sundry debtors, inventories,

cash and bank balances, bills of exchange, deposits, loans and advances as appearing in the books of account of the Transferor Company and appertaining to the India Linoleum Unit as certified and determined by Messrs. S.R. Batliboi Consultants Private Limited (Management Consultants) and all other interests or rights in or arising out of or relating to the India Linoleum Unit together with all respective rights, powers, interests, charges, privileges, benefits, entitlements, industrial and other licenses, registrations, quotas, trade marks, patents, copyrights, liberties easements and advantages, appertaining to the India Linoleum Unit and / or to which the Transferor Company is entitled to in respect of the India Linoleum Unit of whatsoever kind, nature or description held, applied for or as may be obtained thereafter together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records relating to the India Linoleum Unit but expressly excluding land at Birlapur, South 24 Parganas on which the said plant is situated;

(b) all debts, liabilities, duties and obligations of the Transferor Company pertaining to and or arising out of India Linoleum Unit, including liabilities on account of sundry creditors, bonus, sales-tax, excise and other taxation and contingent liabilities as appearing in the books of account of the Transferor Company and appertaining to the India Linoleum Unit as certified and determined by Messrs. S.R. Batliboi Consultants Private Limited (Management Consultants) but excluding liabilities not disclosed and not valued ;

(c) all the employees, respectively, of the Transferor Company engaged in or in relation with the India Linoleum Unit.

Whereas :

1. The Transferor Company is a well established and diversified concern engaged in the business of manufacture and sale of cement; jute products; calcium carbide; oxygen and acetylene gas; synthetic; viscose and cotton yarn; iron and steel castings; auto trim parts; and linoleum and PVC floor and wall coverings. The said businesses are carried on by the Transferor company through its various Divisions namely, Cement Division, Jute Division, Synthetics Division, Birla Carbide and Gases Division, Birlapur Services Division, Auto Trim Division, Birla Vinoleum Divison and the said India Linoleum Unit.

2. Though the Transferor Company as a whole is financially sound and has been making good profits, the performance and profitability of the India Linoleum Unit has not been satisfactory owing to the relatively poorer quality of linoleum produced thereat with technology and plant and machinery which is more than four decades old and not capable of producing the type and high quality of linoleum currently available and in demand in the domestic and international market for linoleum. Unless new technology is used and modernisation and upgradation of the plant and machinery of the said India Linoleum Unit is achieved for which substantial funds are required, the India Linoleum Unit cannot be run profitably by the Transferor Company. However,

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otherwise, the said India Linoleum Unit is a sound one and has tremendous potential for being exploited commercially provided that necessary modernisation and upgradation thereof is done.

3. After a careful process of selection, the Transferor Company has been able to identify DLW Aktiengesellschaft of Germany, a reputed international concern having the requisite technology and technical expertise to manufacture linoleum of the superior quality and type, now required by the market which has not only agreed to provide such technology and technical expertise to the Transferor Company, but has also entered into a joint venture agreement with the Transferor Company for manufacture and sale of superior quality linoleum through a joint venture company with the help of the said India Linoleum Unit after undertaking necessary modernisation and upgradation thereof. Furthermore under the said joint venture agreement the said DLW Aktiengesellschaft has also agreed to provide a substantial portion of the funds requisite therefor, inter alia, by way of equal participation in the Equity Share Capital of the said joint venture Company.

4. The proper and effective modernisation and upgradation of the India Linoleum Unit, the induction of updated technology therein and manufacture and sale of superior quality linoleum to be so manufactured thereby requires specialised and undivided care and attention as also careful supervision and monitoring through an independent management set-up with independent accountability.

5. The Transferee Company has been formed with the objects, inter alia, of carrying on the business of manufacture and sale of superior quality linoleum now proposed to be manufactured and sold as aforesaid.

6. In the circumstances it is considered desirable and expedient to reorganise and reconstruct the business of the Transferor Company by transferring the India Linoleum Unit of the Transferor Company to the Transferee Company in the manner and on the terms and conditions stated herein. The Scheme will enable modernisation and upgradation of the said India Linoleum Unit to be accomplished properly and effectively as also business of manufacture and sale of linoleum to be carried on viably and more profitably through the Transferee Company. Further, the Scheme will enable the Transferee Company to undertake its business with an established undertaking and allow the Transferor Company to continue to concentrate on its other businesses as well as reap the rewards of the business of manufacture and sale of linoleum being carried on more conveniently and advantageously through the Transferee Company and is proposed to their advantage.

Part-II

1. With effect from the Effective Date the India Linoleum Unit shall pursuant to Section 394(2) of the Act and without any further act or deed be transferred to and vested or be deemed to have been transferred to and vested in the Transferee Company for all the respective estate and interest of the Transferor Company therein subject, however, to all charges, liens, lis pendens, mortgages and encumbrances, if any, affecting the same or any part thereof and pertaining to the liabilities of the Transferor Company to be

transferred to the Transferee Company under this Scheme but free from all other charges.

2. All debts, liabilities, duties and obligations of the Transferor Company relating to the India Linoleum Unit as on the close of business on the day immediately preceding the Effective Date shall become the debts, liabilities, duties and obligations of the Transferee Company and the Transferor Company undertakes to meet, discharge and satisfy the same to the exclusion of the Transferor Company and to keep the Transferor Company indemnified at all times from and against all such debts, liabilities, duties and obligations and from and against all actions, demands and proceedings in respect thereto.

3. (a) The Transferee Company undertakes to engage on and from the Completion of Procedures Date all the employees of the Transferor Company engaged in the India Linoleum Unit on the same terms and conditions on which they are engaged as on the Completion of Procedures Date by the Transferor Company without any interruption of service as a result of the transfer. The Transferee Company agrees that the services of all such employees with the Transferor Company upto the Completion of Procedures Date shall be taken into account for the purposes of all benefits to which the said employees may be eligible including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits.

(b) The accumulated balances, if any, standing to the credit of the employees of the India Linoleum Unit in the existing Provident Fund, Superannuation Fund and Gratuity Fund of which they are members will be transferred to such Provident Fund, Superannuation Fund and Gratuity Fund nominated by the Transferee Company and/ or for such new funds to be established and caused to be recognised by the concerned authorities by the Transferee Company. Pending the transfer as aforesaid the Provident Fund, Superannuation Fund and Gratuity Fund dues of the said employees and officers of the India Linoleum Unit would be continued to be deposited in the existing Provident Fund, Superannuation Fund and Gratuity Fund respectively.

4. (a) All legal or other proceedings by or against the Transferor Company whether pending on the Completion of Procedures Date or any matter arising before the Effective Date and relating to the India Linoleum Unit (including those relating to any property, right, power, liability, obligation or duty of the Transferor Company in respect of the India Linoleum Unit) shall be continued and enforced by or against the Transferee Company only. If proceedings are taken against the Transferor Company, the Transferor Company will defend on notice or as per the advice of the Transferee Company at the costs of the Transferee Company and the Transferee Company will indemnify and keep indemnified the Transferor Company from and against all liabilities, obligations, actions, claims and demands in respect thereof.

(b) The Transferee Company undertakes to have all legal or other proceedings pending by or against the Transferor Company as on the Completion of Procedures Date and relating to the India Linoleum Unit (including those relating to any property, right, power, liability or duty of the Transferor Company in respect of the India Linoleum Unit) transferred in its

name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company. The Transferee Company also undertakes to deal with all legal or other proceedings which may be started by or against the Transferor Company after the Completion of Procedures Date relating to the India Linoleum Unit in respect of the period upto the day immediately preceding the Effective Date in its own name and account and to the exclusion of the Transferor Company. The Transferee Company further undertakes to reimburse to the Transferor Company all amounts which the Transferor Company may be called upon to pay or secure in respect of any liability or obligation relating to the India Linoleum Unit for the period upto the day immediately preceding the Effective Date and the costs incurred by the Transferor Company in respect of any proceeding instituted by or against the Transferor Company for the period upto the day immediately preceding the Effective Date at any time after the said date, on submissions of necessary evidence by the Transferor Company to the Transferee Company in respect of the assets and liabilities taken over by the Transferee Company.

5. With effect from the Effective Date and upto and including the Completion of Procedures Date:

(a) The Transferor Company shall be deemed to have carried on and to be carrying on all business and activities relating to the India Linoleum Unit and stand possessed of the properties so to be transferred to the Transferee Company for and on account of and in trust for the Transferee Company.

(b) All profits accruing to the Transferor Company or losses arising or incurred by it relating to the India Linoleum Unit shall for all purposes, be treated as the profits or losses, as the case may be of the Transferee Company.

6. The Transferor Company hereby undertakes from the Effective Date upto and including the Completion of Procedures Date.

(a) To carry on business of the India Linoleum Unit in the ordinary course of business and not (without the prior written consent of the Transferee Company) to alienate, charge or otherwise deal with or dispose off the India Linoleum Unit or any part thereof except in the usual course of business.

(b) Not to utilise the profits, if any, relating to the India Linoleum Unit for the purpose of declaring or paying any dividend in respect of the period falling on and after the Effective Date.

7. The transfer and vesting of the properties and liabilities of the India Linoleum Unit under clauses 1 and 2 hereof and the continuance of the proceedings by or against the Transferee Company under clauses 4(a) and 4(b) hereof shall not effect any transaction or proceeding already completed by the Transferor Company on and after the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds

and things done and executed by and on behalf of the Transferee Company.

8. Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the India Linoleum Unit to which the Transferor Company is a party subsisting or having effect immediately before the Completion of Procedures Date shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Company, the Transferee Company had been a party thereto.

9. For the purpose of this Scheme, a Statement of Account as on the date preceding the Effective Date shall be drawn up in respect of the assets and liabilities of the India Linoleum Unit to be transferred to the Transferee Company on the basis of the books of account of the Transferor Company and the same shall be certified by Messrs. S.R. Batliboi Consultants Private Limited (Management Consultants). In such Statement of Account all fixed assets shall be taken at their respective values as appearing in the Revaluation Report of Messrs. S.R. Batliboi Consultants Private Limited (Management Consultants) dated 8.8.95 updated as on the Effective Date and all other current assets and liabilities shall be taken at their respective book values as appearing from the said books of account of the Transferor Company. The assets and liabilities of the India Linoleum Unit shall be incorporated in the books of account of the Transferee Company at their respective values as appearing from the said Statement of Account.

10. Upon the Scheme being sanctioned by the Hon'ble High Court at Calcutta and the transfer taking place as stipulated under clauses 1 and 2 above, The Transferee Company shall :-

(a) issue and allot to the Transferor Company without further application, 20,00,000 equity shares of Rs. 10/- each, credited as fully paid up in the Transferee Company. Such shares shall rank *pari passu* in all respects with the existing equity shares of the Transferee Company.

(b) pay to the Transferor Company an amount equivalent to the excess of the value of the assets over the liabilities relating to the India Linoleum Unit as appearing in the Statement of Account to be prepared under clause 9 herein above as reduced by Rs. 2,00,00,000/- being the face value of the shares to be allotted under sub-clause(a) above. The said amount shall not become payable immediately and shall be treated as a loan from the Transferor Company to the Transferee Company to be repaid by the Transferee Company to the Transferor Company in such manner as may be mutually agreed between the Transferor Company and the Transferee Company.

11. Even after the Completion of Procedures Date the Transferee Company shall be entitled to realise all monies and complete and enforce all pending contracts and transactions in respect of the India Linoleum Unit in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

Part - III

1. The Transferor Company and the Transferee Company shall make necessary applications before the Hon'ble High Court at Calcutta for the sanction of this Scheme of Arrangement.

2. Save and except the India Linoleum Unit of the Transferor Company and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall effect the rest of the assets, liabilities and business of the Transferor Company which shall continue to belong to and be vested in and be managed by the Transferor Company.

3. The Transferor Company and the Transferee Company (through their respective Board of Directors) and in their full and absolute discretion, may assent to any alteration or modification to this Scheme which the Court and/or any other Authority may deem fit to approve or impose and may further give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in any manner connected therewith.

4. The Scheme is conditional upon and subject to the following:

(a) The Scheme being approved by the respective requisite majorities of the members of the Transferor Company and the Transferee Company and it being sanctioned by the Hon'ble High Court at Calcutta.

(b) The certified copy of the order of the Hon'ble High Court at Calcutta being filed with the Registrar of Companies, West Bengal, by both the Transferor Company and the Transferee Company.

5. The Transferor Company and/ or the Transferee Company shall each be at liberty to withdraw from this Scheme of Arrangement in case any condition or alteration imposed by any authority is unacceptable to them.

6. All costs, charges and expenses incurred in carrying out and implementing the terms and provisions of this Scheme and incidental thereto including those incurred during negotiations leading to the Scheme to be borne by the Transferee Company.

7. If any doubt or difference or issue arises between the parties hereto or any of their shareholders, creditors, employees and/or any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to the joint arbitration of one nominee of Messrs, Khaitan & Co, Advocates of 9, Old Post Office Street, Calcutta 700001 and one nominee of Messrs, S.R. Batliboi & Co., Chartered Accountants of 36, Ganesh Chandra Avenue, Calcutta 700013 whose decision shall be final and binding on all concerned.

P. Ghosh
12.8.96
For Registrar

Schedule 'B' Above Referred To

Schedule of Assets of Birla Jute & Industries Limited ("The Transferor Company") to be transferred to Birla-DLW Limited.

Part-I

(Short description of the freehold property of the Transferor Company.)

All buildings and structures and plant and machinery permanently attached to the earth pertaining to India Linoleum Unit of the Transferor Company situate and / or lying at Birlapur, Mouza Mayapur, P. S. Nodakhali, 24 Parganas (South) in the state of West Bengal including Wood Mill, Cork Mill, Cork Godown, Scrap Room, Cement House, Mixing House, Calender House, Stove House, Finished Goods Warehouse, Printing House, Laboratory, Cooling Plant House, Scrap Plant, Spirit Storage, Varnish Kitchen, Colour Shop, Canteen, Sub-station, Tile cutting Room and Maintenance Shop.

Part – II

(Short description of the lease hold property of the Transferor Company)

Nil

Part – III

(Short description of shares, stocks, debentures and other choses in action of the Transferor Company)

Nil

P. Ghosh
12.8.96
for Registrar

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C.P. No. 231 of 1996 connected with

CA No. 193 of 1996

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

In the Matter of Companies Act, 1956

and

In the Matter of Birla Jute & Industries Ltd.
& Another

(i) Date when the decree or order was completed	12.8.96	
(ii) Date of application for copy	25.7.96	
(iii) Date of notifying the requisite number of folios and stamp	12.8.96	
(iv) Date of delivery of the requisite folios and stamp	12.8.96	
(v) Date on which the copy is ready for delivery	21.8.96	Order of the 23rd day of July 1996 Filed this 12th day of August 1996
(vi) Date when delivery was taken of the copy by the applicant	21.8.96	

B. K. Chatterjee
Superintendent,
Company Matter, Department

Sd/
Superintendent,
Copyists' Department,
High Court, O. S.

Khaitan & Co.
Attorney

(THE COMPANIES ACT, 1956)
ARTICLES OF ASSOCIATION
OF
BIRLA CORPORATION LIMITED

I. PRELIMINARY

I. The regulations contained in Table A, in Schedule I to the Companies Act, 1956 (or in Table A in the first Schedule to the Indian Companies Act, 1913) shall not apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, or addition to its regulations by special resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these articles. Provided that the words or expressions used in these Articles and not defined in the Act but defined in the Depositories Act, 1996 shall have the same meaning respectively assigned to them in that Act.

Table A not to apply but Company to be governed by these Articles.

II. INTERPRETATION.

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

Interpretation Clause:

“The Company” or “this Company” means BIRLA CORPORATION LIMITED.

“The Company” or “this Company”.

“The Act” means the Companies Act, 1956, in force for the time being.

“The Act”.

In the event of any Section of the Act to which specific reference is made in these presents being amended or altered by Statute or otherwise then such reference shall be deemed to be to the amended or altered Section accordingly.

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

“Auditors”

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

“Board”

“Beneficial Owner” shall mean the beneficial owner as defined in Clause(a) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.

“Beneficial Owner”*

“Depositories Act” means the Depositories Act, 1996 and shall include any statutory modification(s) or re-enactment thereof for the time being in force.

“Depositories Act”*

“Depository” shall mean a depository as defined under Clause(e) of Sub-Section(1) of Section 2 of the Depositories Act, 1996.

“Depository”*

“Securities & Exchange Board of India” means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.”

“Securities & Exchange Board of India”*

“Capital” means the capital for the time being raised, or authorised to be raised, for the purposes of the Company.

“Capital”

* Inserted as per Special Resolution passed at the Annual General Meeting held on 16th September 1998.

"Directors".	"Directors" means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a Board Meeting.
"Dividend".	"Dividend" includes Bonus.
"Gender"	Words importing the masculine gender also include the feminine gender.
"In writing".	"In writing" means written or printed or partly written and partly printed or lithographed, or typewritten or other substitute for writing.
"Member". *	"Member" means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as a beneficial owner in the records of the depository.
"Meeting" or "General Meeting".	"Meeting" or "General Meeting" means a meeting of Members.
"Annual General Meeting"	"Annual General meeting" means a general meeting of the members held in accordance with the provisions of Section 166 of the Act and any adjournment, thereof.
"Extra-Ordinary General Meeting".	"Extra-ordinary General Meeting" means an extra-ordinary general meeting of the members duly called and constituted and any adjournment thereof.
"Month".	"Month" means an English calendar month.
"Year" and "Financial Year".	"Year" means the English calendar year and "Financial Year" shall have meaning assigned thereto be Section 2(17) of the Act.
"Office"	"The Office" means the Registered Office for the time being of the Company.
"Paid up"	"Paid up" includes credited as paid up.
"Persons"	"Persons" include corporations and firms as well as individuals.
"Proxy"	"Proxy" includes an instrument whereby any person is authorised to attend and to vote for a member on a poll at a General Meeting.
"Register" or "Register of Members".	"Register" or "Register of Member" means the Register of Members to be kept pursuant to the Act.
"Registrar".	"The Registrar" means the Registrar of Companies of the State in which the office is for the time being situated.
"Company's Regulations" or "these presents".	"Company's Regulations" or "these presents" means these Articles of Association and any other Regulations in force for the time being for the management of the Company.
"Seal".	"Seal" means the Common Seal for the time being of the Company.
"Shares"	"Shares" means the shares into which the Capital is divided, and the interest corresponding with such shares.
"Singular Number"	Words importing the singular number include, where the context admits or requires, the plural number and vice versa.
"Special Resolution".	"Special Resolution" means a Special Resolution of the Company passed in accordance with Section 189 of the Act.

Subject as aforesaid, any words or expressions defined in the Act shall, except where repugnant to the subject or context, bear the same meaning in these Articles.

* Substituted as per Special Resolution passed at the Annual General Meeting held on 16th September 1998.

The marginal notes are inserted for convenience and shall not affect the construction of these Articles.

3. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Board of Directors to every Member at his request within seven days of the request on payment of the sum of Rupee one for each copy.

Copies of Memorandum & Articles of association to be sent by Directors.

III. CAPITAL

(1) SHARES.

4. The Capital of the Company shall be such amount as may be authorised from time to time.

Capital

5. Subject to the provisions of Sec. 80 of the Act, the Company shall have power to issue preference shares which are, or at the option of the Company are liable, to be redeemed and the Directors may, subject to the provisions of the Act and of these presents, exercise such power in any manner deemed proper by them.

Redeemable Preference Shares.

5A *. In the event that issue of Ordinary Shares with non-voting rights attached to such shares is permitted by law, the Directors may from time to time issue such non-voting Ordinary Shares upon such terms and conditions and with such rights and privileges (including with regard to dividend) annexed thereto as may be thought fit and permitted and/or required by law, guidelines issued by statutory authorities and/or listing requirements.

Non-Voting Shares

6. Subject to the provisions of these Articles, shares in the Capital of the Company for time being shall be under the control of the Board who may allot or otherwise dispose of the same or any of them on such terms and conditions and at such times and either at a premium or at par or (subject to the provisions of Section 79 of the Act) at a discount as the Board may think fit. Provided that where at any time subsequent to the first allotment of the shares it is proposed to increase the subscribed capital of the Company by the allotment of further shares then subject to any directions to the contrary which may only validly be given by the Company in General Meeting by a special resolution or by simple majority vote and consent of the Central Government, the Board shall issue such shares in the manner set out in Section 81 (1) of the Act.

Allotment of Shares

Provided that option or right to call on shares shall not be given to any person or persons except with the sanction of the Company in General Meeting.

6A. Without prejudice to the provisions of these Articles and pursuant to the provisions of Section 81 (1A) of the Act, it shall be lawful for the Company to issue further shares as the Board thinks fit either at par or at a premium (if necessary, by increasing the authorised capital of the Company in the manner set out in Section 81 (1) of the Act) in favour of one or more of the financial institutions against conversion of such part of the loans/debentures as carry a right of conversion stipulated by such financial institutions and allot such shares

Issue of Share on conversion of loans/ debentures

* Inserted by special resolution passed at the Annual General Meeting held on 28th July 1994.

without any further act on the part of the shareholders and such financial institutions. Such shares shall rank *pari passu* with the existing ordinary shares (of the Company except for payment of dividend which will be on a proportional basis.)*

Power to Company to dematerialise, rematerialise, and numbering thereto

*6B. That notwithstanding anything as herein contained the Company shall be entitled to dematerialise or rematerialise its shares, debentures and other securities (both existing and future) pursuant to Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.

Shares held in electronic and fungible form

*6C. In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 as amended from time to time or any Rules, Regulations, bye-laws framed thereunder shall apply.

Minimum Application money.

7. If the Company shall offer any of its shares to the public for subscription, the amount payable on application on each share shall not be less than 5 per cent. of the nominal amount of the share.

Allotments.

8. As regards the allotment made from time to time, the Directors shall duly comply with the provisions of Section 69 of the Act in so far as applicable and cause to be made the returns as to allotments provided for in Section 75 of the Act.

Commission for placing shares.

9. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or debenture-stock of the Company, but so that the amount or the rate of commission shall not exceed five per cent of the price at which the shares are issued or two and a half per cent of the price of the debentures or debenture-stock in each case subscribed or to be subscribed. The commission may be paid or satisfied in cash or in shares, debentures or debenture-stock of the Company or partly in one way and partly in the other.

Brokerage.

10. The Company may also on any issue of shares or debenture pay reasonable brokerage as may be lawful.

Uniform Conditions as to calls, etc.

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

Instalments on Shares to be duly paid.

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

* Inserted as per Special Resolution passed at the Annual General Meeting held on 16th September 1998

*13. Subject to the provisions of the Act or any other applicable laws in force at the relevant time, the Board of Directors shall have powers to purchase any of its own fully paid shares whether or not they are redeemable, and may make payments out of its capital in respect of such purchases.

Purchase of Company's Own Shares

*14.(a) Except as ordered by a court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the beneficial owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall however, express or implied notice thereof. No notice of any trust, express, implied or constructive shall be entered on the Register of Members or of debentureholders or be receivable by the Registrar.

Company not bound to recognise any interest in share other than that of registered holder or beneficial owner.

(b) And notwithstanding anything contained in clause (a) above where any shares in, or debentures of, the Company are held in Trust by any person (hereinafter referred to as the Trustee), the Trustee shall in case where such holding of shares is affected by Section 153B of the Act within such time and in such form as may be prescribed by the Company in this behalf make a declaration to the Public Trustee. A copy of the Declaration so made to the Public Trustee shall be sent by the Trustee to the Company within 21 days after the declaration has been sent to the Public Trustee.

15. Shares may at the discretion of the Directors be registered in the name of any limited company or other corporate body or in any other collective name.

Who may be Members.

*16. The Company shall cause to be kept a Register and Index of Members in accordance with Section 150 and 151 of the Act and the Depositories Act, 1996.

Register and Index of Members.

*17. The Shares in the Capital shall be numbered progressively according to their several denominations. Provided however, that the provisions relating to progressive numbering shall not apply to the shares of the company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Shares to be numbered progressively.

18. Any application signed by an applicant for shares in the Company followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purposes of these Articles, be a member.

Acceptance of shares.

19. The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the Register

Deposit and calls, etc. to be a debt payable immediately.

* Substituted as per Special Resolution passed at the Annual General Meeting held on 16th September 1998

of Members as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be payable by such allottee accordingly.

Liability of Members.

20. Every Member, or his heirs, executors or administrators, shall pay to the Company the proportion of the capital represented by his share or shares may, for the time being remain unpaid thereon, in such amount, at such time or times, and in such manner, as the Board of Directors shall from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

(2) CERTIFICATES

Certificates.

21. The certificate of title to shares and duplicates thereof when necessary shall be issued under the Seal of the Company in accordance with any statutory regulations for the time being in force. The Company may enlarge the period of three months prescribed in Section 113 of the Act for the issue of the certificates if the conditions of the issue of any shares so provide. * "Provided however, that no Share Certificate(s) shall be issued for shares held by a Depository."

Member's right to certificate.

22. Every member shall be entitled free of charge to one or more certificates for all the shares or debentures of each class registered in his name in marketable lots or if the Board so approves, to several certificates each for one or more of such shares or debentures, but in respect of each additional certificate, the Company, if the Board so determines, shall be entitled to charge a fee not exceeding Re 1/-.

Sub-division of shares/ debentures.

22A. Notwithstanding anything contained in Article 22, the Board of Directors may refuse applications for sub-division of Share Certificates or Debenture Certificates or Letters of Allotment into denomination of less than 25 (twenty-five) shares or 5 (five) debentures except when such sub-division is required to be made to comply with a statutory order or order of the competent Court of Law.

Issue of Share Certificates.

23. (a) When the Company issues any capital, no certificate of any share or shares in the Company shall be issued except:

- (i) in pursuance of a resolution passed by the Board; and
- (ii) on surrender to the company of its letter of allotment or of its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation, or in cases of issue of bonus shares:

Provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the company in investigating the evidence, as the Board thinks fit.

* Added as per Special Resolution passed at the Annual General Meeting held on 16th September 1998

- (b) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn-out, or where the cages on the reverse for recording transfers have been duly utilized, unless the certificate in lieu of which it is issued is surrendered to the company:

Provided that the company may charge such fee, if any, not exceeding Rs. 1/- per every new share certificate as the Board may think fit, but no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn-out or where the cages on the reverse for recording transfers have been fully utilised.

- (c) No duplicate share certificate shall be issued in lieu of those that are lost or destroyed, without the prior consent of the Board or without payment of such fee, if any, not exceeding Re. 1/- and on such reasonable terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the company in investigating the evidence, as the Board may think fit.

New certificate in place of one not surrendered.

24. When any shares under the power in that behalf in these Articles herein contained are sold by the Directors and the certificate thereof has not been surrendered to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.

(3) JOINT HOLDERS OF SHARES

25. Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to the provisions following and to the other provisions of these Articles relating to joint-holders :

Maximum number.

- (a) The Company shall not be bound to register more than four persons as the Joint-holders of any share.

Liability several as well as joint.

- (b) The joint-holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.

Survivors of joint-holders only recognised.

- (c) On the death of anyone of such joint-holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to or interest in such share but the Directors may require such evidence of death as they may deem fit.

Delivery of certificate.

- (d) Only the person whose name stands first in the Register as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share.

(4) CALLS

26. The Directors may, from time to time, subject to Section 91 of the Act and the terms on which any shares may have been issued, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively (whether on account of nominal value of shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments. A call may be revoked or postponed at the discretion of the Directors.

Calls

27. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed.

When call deemed to have been made.

28. Not less than 21 days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid. Provided that the Directors may by notice in writing to the members revoke the call or extend the time for payment thereof.

Notice of call.

29. If by the terms of issue of any share or otherwise the whole or part of the amount or issue price thereof is made payable at any fixed time or by instalments at fixed times, every such amount or issue price or instalment thereof shall be payable as if it were a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall apply to such amount or issue price or instalment accordingly.

Amount payable at fixed times or by instalment payable as calls.

30. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the instalment shall be due shall pay interest for the same at the rate of 9 per cent. per annum, or at such other rate as the Directors may determine from the day appointed for the payment thereof to the time of the actual payment. But nothing in this Article shall be deemed to make it compulsory on the Board to demand or recover any interest from any such shareholder.

Calls to carry interest.

31. On the trial or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member is, or was, when the claim arose, on the register of members of the Company as a holder or one of the holders of shares in respect of which such claim is made and the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call, nor that a quorum was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor

Evidence in action by Company against members.

any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment of calls in advance.

32. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the Capital due upon the shares held by him beyond the sums for which calls shall have been made and upon the money so paid in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon but not more than six per cent per annum unless the Company in General Meeting shall otherwise direct. No voting rights in respect of the moneys so paid in advance shall be exercisable until the moneys shall have become payable. Money so paid in excess of the amount of calls shall not rank for dividend or participate in the profits of the Company and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as a part of its capital and shall be repayable to the members at any time without notice if the Directors so decide.

(5) FORFEITURE AND LIEN.

If call or instalment not paid notice to be given to the member.

33. If any member fails to pay any call or instalment as aforesaid on or before the day appointed for the payment of the same, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of notice.

34. The notice shall fix a date (not being less than 14 days from the date of the notice) and a place or places on and at which such call or instalment and such interest as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place or places appointed, the shares in respect of which such call was made or instalment is payable, and to which the notice relates, will be liable to be forfeited.

If notice not complied with shares may be forfeited.

35. If the requisites of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

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

Notice after forfeiture.

37. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, or otherwise dispose of the same in such manner as they think fit.

Forfeited share to become property of the Company

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

Power to annul forfeiture

39. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding forfeiture remain liable to pay to the Company, all calls, instalments, interest and expenses owing upon or in respect of such shares at the date of forfeiture with interest thereon from the date of forfeiture until payment at such rate not exceeding nine percent per annum as the Directors may determine.

Arrears to be paid notwithstanding forfeiture.

(2) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.

(3) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

(4) The transferee shall thereupon be registered as the holder of the share.

(5) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

(6) The provisions of these regulations as to forfeiture, shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

40. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Effect of forfeiture.

41. A declaration in writing that the declarant is a Director or the Secretary or other authorised officer of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration

Evidence of forfeiture

shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such share.

Company's lien on shares.

42. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 14 hereof is to have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such share. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares to be wholly or in part to be exempt from the provisions of this Clause.

As to enforcing lien by sale.

43. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they think fit but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or his committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after the date of such notice. To give effect to such sale the Directors may authorise some person to transfer the shares sold to the purchaser thereof.

Application of proceeds of sale

The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall be paid to such member, his executors or administrators or his committee, *curator bonis*, or other legal representative as the case may be.

Validity of sale

44. Upon any sale for enforcing a lien in exercise of the powers by these presents given, the Directors may cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money, and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such sale or disposition, nor impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

(6) TRANSFER AND TRANSMISSION OF SHARES.

Execution of transfer
etc.

*45. Subject to the provisions of Section 108 of the Act and of the Foreign Exchange Regulation Act, 1947 as in force, the Company shall not register transfer of Shares in, or debentures of the Company, except in case of transfer of Securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of the Depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address, description by way of father's or husband's name and occupation, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or debentures or if no such certificate is in existence, along with the letter of allotment of shares or debentures. Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit. The transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation. The Company shall keep a "Register of Transfers" and therein shall be entered the particulars of every transfer or transmission of any share held in material form.

Special beneficial
provisions of the
Companies Act, 1956
shall not apply to
Depository.

*45A. Nothing contained in the Articles shall apply to transfer of security effected by the transferor and the transferee both of whom are entered as "Beneficial Owners" in the records of the Depository.

Application for transfer

*45B. On the shares, debentures and securities held by Depository on behalf of the beneficial owners as defined in the Depositories Act, 1996, the provisions of Sections 153, 153A, 153B, 187B, 187C and 372 shall not apply.

46. An application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manner prescribed by the Act, and, subject to the provisions of Articles 14, 50, 51 and 55 hereof, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

Notice of transfer to
registered holder.

47. Before registering any transfer tendered for registration, the Directors may, if they so think fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the Office of the Company within ten days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company in respect of such non-receipt.

* Modified and inserted as per Special Resolution passed at the Annual General Meeting held on 16th September 1998

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

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

49. (a) The Instrument of Transfer of any shares shall be in writing in the prescribed form and shall be presented to the prescribed authority before it is signed by or on behalf of the transferor for being stamped or otherwise endorsed thereon by the prescribed authority the date on which it is so presented, as required by Section 108 of the Act.

Instrument of transfer.

*Provided that where the securities are held in a depository, documents/ notices may be served by such depositories who is/ are the beneficial owner in respect thereof, on the Company by means of electronic mode or by delivery of depository floppies or discs.

Service of documents or notices by Members.

(b) In the case of any share registered in any Register maintained outside India, the instrument of transfer shall be in a form recognised by the law of the place where the Register is maintained but subject thereto shall be as near to the prescribed form as circumstances shall permit.

Form of transfer outside India.

(c) All Instruments of Transfer shall comply with the provisions of Section 108 of the Companies Act in all respects.

50. Subject to the provisions of Section 111 of the Companies Act, the Board may, at its own, absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares whether fully paid-up or not (notwithstanding that the proposed transferee be already a member) provided that registration of a transfer shall not be refused on the ground that the transferor/transferee being either alone or jointly with any person or persons indebted to the Company on any account whatsoever.

Power to refuse registration of transfer.

51. No transfer shall be made to a minor or person of unsound mind or to a firm except with the consent of the Board.

No transfer to minor, Person of unsound mind or firm.

51 A. The Directors shall not accept the application for transfer of less than 25 (twenty-five) ordinary shares of the Company, provided, however, this condition shall not apply to :

Minimum Lot for transfer of shares.

- (i) a transfer of ordinary shares made in pursuance of any statutory provision or an order of a Court of Law;
- (ii) the transfer of the entire ordinary shares by an existing ordinary share-holder holding less than 25 ordinary shares by a single transfer to a single or joint names ;

* Modified as per Special Resolution passed at the Annual General Meeting held on 16th September 1998

- (iii) the transfer of the entire ordinary shares of an existing ordinary share-holder holding less than 25 ordinary shares to one or more transferees whose holding in the Company will not be less than 25 ordinary shares each, after the said transfer;
- (iv) the transfer of not less than 25 ordinary shares in the aggregate in favour of the same transferee in two or more transfer deeds submitted together with in which one or more relate(s) to the transfer of less than 25 ordinary shares;
- (v) the transfer of shares may at the discretion of the Directors under special circumstances to avoid undue hardship to genuine cases.

52. Every instrument of transfer duly executed as stated in Article 49 shall be submitted to the Company for registration within the time prescribed by Section 108 of the Act. The instrument of transfer shall be accompanied by the certificate of the shares to be transferred or if no such certificate is in existence, by the Letter of Allotment of the shares and such other evidence as the Directors may require to prove the title of the transferor or his right to transfer the shares or the right of the transferee to have the shares transferred.

Instrument of transfer to be left at Office and evidence of title.

53. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

When instrument of transfer to be retained.

54. If the Directors refuse to register the transfer of any shares or debentures, the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal.

Notice of refusal to register transfer.

55. The transferee shall pay to the Company in respect of the transfer or transmission of any number of shares to the same party a transfer fee of Rupee one for each transfer or such smaller fee as the Directors from time to time may determine. The Directors may decline to register the transfer until the transfer fee has been paid.

Fee on transfer.

56. On giving not less than seven days' previous notice by advertisement in a newspaper circulating in the neighbourhood of the Office of the Company, the Transfer Books and Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty-five days in each year, but not exceeding thirty days at a time.

Power to close transfer books and register.

57. The executors or administrators or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint-holders) shall be the only person whom the Company shall recognise as having any title to the shares registered in the name of such member and in case of the death of anyone or more of the joint-holders of any registered shares, the survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained

Transmission of registered shares.

shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognising any executor or administrator or legal heir, the Directors may require him to obtain a grant of probate or letters of administration or succession certificate or other legal representation as the case may be, from some competent Court, provided nevertheless and subject to section 84 of the Estate Duty Act that in any case where the Directors in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Directors may consider desirable; provided also that the holder of a succession certificate shall not be entitled to receive any dividends already declared but not paid to the deceased member unless the succession certificate declares that the holder thereof is entitled to receive such dividends; provided also that if the member was a member of a Joint Hindu Family, the Directors on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise survivors thereof as having title to the shares registered in the name of such member but this proviso shall in no way be deemed to modify or nullify the provisions contained in Article 14 hereof.

As to transfer of shares of deceased or insolvent members.

Transmission Article.

Notice of election to be registered as a member.

Provisions of Articles relating to transfer applicable

Rights of unregistered executors and trustees.

58. Any person becoming entitled to or to transfer of shares in consequence of the death or insolvency of any member, or by any lawful means other than by a transfer, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Directors think sufficient may, with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares, or may, subject to the regulations as to transfer herein before contained, transfer such shares. This Article is hereinafter referred to as "The Transmission Article". Subject to any other provisions of these Articles, if the person so becoming entitled to shares under this or the last preceding Article shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the shares to some other person, he shall execute an instrument of transfer in accordance with the provisions of these Articles relating to transfers of shares. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid.

59. Subject to Section 206 of the Act and other provisions of these Articles if the Directors in their sole discretion are satisfied in regard thereto, a person becoming entitled to a registered share in consequence of the death or insolvency of a member may receive and give a discharge for any dividends or other moneys payable in respect of this share.

(7) STOCKS.

60. The Company in general meeting may by ordinary resolutions convert all or any of its fully paid up shares into stock and re-convert any stock into fully paid up shares of any denomination. The Company shall as required by Section 95 of the Act give due notice to the Registrar of any such conversion.

Conversion of shares into stock and reconversion.

61. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Transfer of stock.

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

62. The holder of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred that privilege or advantage.

Rights of Stock-holders

63. Such of the regulations of the Company (other than those relating to share-warrants) as are applicable to paid up shares shall apply to stock and the words "share" and "share-holders" therein shall include "stock" and "stock-holder" respectively.

Application of regulations to stock.

(8) ALTERATION OF CAPITAL

64. The Company in general meeting may from time to time alter the condition of its Memorandum to increase the share capital by such amount, to be divided into shares of such denomination as may be specified in the resolution.

Power to increase authorised capital.

65. The Company may in general meeting alter the conditions of its Memorandum to :

Power to consolidate, cancel and sub-divide shares.

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

(b) sub-divide its existing shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, and/or Articles of Association subject, nevertheless, to the provisions of Clause (d) of sub-section (1) of Section 94 ;

(c) cancel any shares which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

On what conditions new shares may be issued.

66. Subject to the provisions of any special rights or privileges for the time being attached to any issued shares, the new shares shall be issued upon such terms and conditions and with such rights and privileges attached thereto, as the general meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and subject to the provisions of Sec. 85 of the Act in the distribution of the assets of the Company and subject to the provisions of Section 87 of the Act with a special or without any right of voting.

New shares to be offered first to members.

67. Subject to the other provisions of these Articles and subject to any directions to the contrary that may be given by the meeting that resolves upon the increase of capital where the Directors decide to increase the capital of the Company by the issue of further shares, such shares shall be offered to the persons who at the date of the offer or on a specified date, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit to the capital paid up on those shares at the date, and such offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; and after the expiration of such time, or on receipt of an earlier intimation from the members to whom such notice is given that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company; and the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice aforesaid shall contain a statement of this right, but so that the person or persons in whose favour any such shares may be renounced shall be such as the Directors may in their absolute discretion approve of, and in case the Directors may not so approve of any such person the renunciation of any such shares in favour of such persons shall not take effect.

When to be offered to existing members.

68. In addition to and without derogating from the powers for that purpose concerned conferred on the Directors under these presents, the Company in general meeting may either by special resolution or by ordinary resolution and with the consent of the Central Government determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered in the first instance to the existing members in such proportion to the amount of the capital held by them and on such terms, conditions and either at a premium or at par, or (subject to compliance with the provisions of the Act) at a discount, as such general meeting shall determine, or make any other provisions as to the issue and allotment of the new share, and with full power to give to any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par, or (subject to compliance with the provisions of the Act), at a discount,

and such option being exercisable at such times and for such consideration as may be directed by such General Meeting.

69. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien and otherwise.

How far new shares to rank with shares in original capital.

70. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

Power to reduce capital

- (a) its share capital,
- (b) any capital redemption reserve fund, or
- (c) any share premium account.

(9) MODIFICATION OF RIGHTS

71. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class may, subject to the provisions of sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, varied or dealt with, with the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of issued shares of that class and all the provisions hereinafter contained as to general meeting, shall, *mutatis mutandis* apply, but so that the quorum thereof shall be the members holding or representing by proxy, 75% of the nominal amount of the issued shares of that class. This Article is not to derogate from any power the Company would have if this Article were omitted.

Power to modify rights

Provided that the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied under these Articles by the creation or issue of further shares under Art. No. 66 and such new shares may be issued with such preferential rights as may be decided at the time of issue thereof.

(10) BORROWINGS

72. Subject to the provisions of Sections 292 and 293 of the Act, the Board of Directors may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company not exceeding the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose). Provided, however, where the moneys to be borrowed together with the moneys already

Power to borrow.

borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary courses of business) exceed the aforesaid aggregate, the Board of Directors shall not borrow such moneys without the consent of the Company in General Meeting. Provided further that where monies are borrowed from the members of the public, the Company shall comply with the regulations of the Reserve Bank or the Government relating to the same from time to time in force.

Conditions on which money may be borrowed.

73. The Directors may subject to the provisions of Sec. 292 of the Act raise or secure the payment or repayment of such sum or sums, in such manner and upon such terms and conditions in all respects as they think fit and, in particular, by the issue of bonds, debentures or debenture stock of the Company or any mortgage, charge or other security upon all or any part of the undertaking or property of the Company (both present and future) including its uncalled capital for the time being.

Securities may be assignable free from equities.

74. Any debentures, debenture stock and other instrument issued by the Company for securing the payment of monies may be so framed that they shall be assignable free from any equities between the Company and the person to whom the same may be issued.

Issued at discount etc. and with special privileges.

75. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Any debentures or debenture stock issued by the Company shall be subject to the provisions of Sections 117 to 123 of the Act or of any statutory modification thereof for the time being.

Provided that debenture, debenture stock, bonds or other securities with a right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

Register of charges to be kept.

76. The Board of Directors shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125 and 127 to 144 of the Act in that behalf to be duly complied with, so far as they need to be complied with by the Board of Directors.

Indemnity may be given.

77. The Directors or any of them or any other person or persons may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the Company or any interest payable thereon, and shall be entitled to receive such payments as consideration for the giving of any such guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the Company or upon any of its property or assets or otherwise. If the Directors or any of them or any other person or persons shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be

executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

(11) RESERVES

78. The Directors may, before recommending any dividends, whether preferential or otherwise, carry to reserve out of the profits of the Company such sums as they think proper and may also carry to reserve premia received upon the issue of securities (other than shares) or obligations of the Company. The Directors shall also have power to carry to reserve any surplus realised on the sale of any fixed assets of the Company or arising from a revaluation of the properties or assets of the Company. All sums standing to reserve may be applied in whole or in part from time to time at the discretion of the Directors for meeting depreciation or contingencies or for capitalisation and special distribution by way of bonuses or for equalising dividends or for distribution by way of special dividend or bonuses or for repairing, improving, replacing or maintaining any of the property of the Company or for such other purposes as the Directors may in their absolute discretion think conducive to the objects of the Company or any of them and pending such application may at the like discretion either be employed in the business of the Company or be invested in such investments with power to deal with and vary such investments, or be kept on deposit at any bank as the Directors think fit and that without being kept separate from the other assets of the Company. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided as they think fit.

Power to carry Profits to Reserve.

79. The income arising from any reserve fund shall be treated as part of the gross profits of the Company.

How income from reserve fund to be treated.

80. The Directors may also without placing the same to reserve carry over any profits which they may think it not prudent to divide.

Power to carry over profits

IV. GENERAL MEETINGS

(1) CONVENING OF MEETINGS

81. The Company shall, in addition to any other meetings, hold in each year a general meeting as its Annual General Meeting and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next unless the Registrar of Companies shall have extended the time for holding of any such Annual General Meeting pursuant to the proviso to Sec. 166(1) of the Act.

Annual General Meeting.

82. Every Annual General Meeting shall be called at such time during business hours and on such days (not being a public holiday) as the Directors may from time to time determine; and it shall be held either at the Registered Office of the Company or at such other place in the city or town in which the

Time and place for calling of Annual General Meeting.

Registered Office of the Company may for the time being be situated. The notice of calling any such meeting shall specify it as an Annual General Meeting.

Extra-ordinary General Meetings.

83. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings.

Who may call an Extraordinary General Meeting.

84. The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, any director of the Company may call an Extra-ordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Calling of Extra-ordinary General Meeting on requisition.

85. The Board of Directors of the Company shall, on the requisition of such member or members of the Company as is specified in sub-section (4) of Section 169 of the Act, forthwith proceed duly to call an Extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of Section 169 of the Act and of any statutory modification thereof for the time being shall apply.

Notice of meeting.

86. A meeting of the Company may be called by giving not less than twenty one days' notice in writing but the meeting may be called after giving shorter notice than that specified above if consent is accorded thereto in the case of an Annual General Meeting, by all the members entitled to vote thereat and in case of any other meeting, by members of the Company holding not less than 95 per cent, of such part of the paid up share capital of the Company as gives a right to vote at the meeting, provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this Article in respect of the former resolution or resolutions and not in respect of the latter.

Service of notice

87. Notice of every meeting shall be given to every member of the Company in any manner authorised by sub-section (1) to (4) of Section 53 of the Act. It shall be given to the persons entitled to the share in consequence of the death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name or by the title of the representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any in India, supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred.

Notice to be given to the Auditors.

88. Notice of every meeting of the Company shall be given to the auditor or auditors for the time being of the Company, in any manner authorised by Section 53 in the case of any member or members of the Company.

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

Accidental omission to give notice.

90. Where, by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice in respect of the same shall be given to the Company and by the Company as provided in Section 190 of the Act or any statutory modification or re-enactment thereof.

Resolutions requiring special notice.

(2) PROCEEDINGS AT GENERAL MEETINGS

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

Business of General Meetings.

- (i) the consideration of the Accounts, Balance Sheet and the Reports of the Board of Directors and Auditors;
- (ii) the declaration of dividend;
- (iii) the appointment of Directors in the place of those retiring;
- (iv) the appointment of and the fixing of the remuneration of the Auditors;

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

(c) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest, if any, therein of every Director, and the Manager, if any.

Provided, however that where any item of special business, as aforesaid, to be transacted at a Meeting of the Company relates to, or affects, any other Company, the extent of shareholding interest in that other Company of every Director, and the Manager, if any, of the Company shall also be set out in the Explanatory Statement, if the extent of such shareholding interest is not less than 20 (twenty) per cent of the paid up share capital of that other Company.

(d) Where any item of business to be transacted at the meeting of the Company consists of according the approval of the meeting to any document, the time and place where the document can be inspected shall be specified in the Explanatory Statement.

92. The quorum for a General Meeting of the Company shall be five members personally present.

Quorum.

93. No business shall be transacted at any General Meeting unless the quorum is present at the time when the meeting proceeds to business.

Quorum necessary for business.

94. The Chairman, if any, of the Board shall preside as Chairman at every general meeting of the Company.

Chairman.

If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, is unwilling to act as Chairman of the meeting, the members present shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, then the members present shall choose one of their member, to be the Chairman.

Automatic adjournment and dissolution.

95. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon a requisition of members under Article 85 shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and place, unless the same shall be a public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place or to such other day and at such other time and place as the Directors may determine and if at such adjourned meeting, a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.

How questions or resolutions to be decided at meetings.

96. Every question submitted to the meeting shall be decided in the first instance by a show of hands and in the case of an equality of votes both on a show of hands and on a poll, the Chairman of the meeting shall have a casting vote in addition to the vote or votes to which he may be entitled as a member.

What is to be evidence of the passing of a question or resolution where poll is not demanded.

97. At any General Meeting unless a poll is (before or on the declaration of the result on show of hands) is ordered to be taken by the Chairman of the Meeting of his own motion or demanded by the person or persons specified in Section 179 of the Act, a declaration by the Chairman that a question or resolution is on a show of hands, being carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect in the books containing the Minutes of the proceedings of the meetings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such question or resolution.

Poll.

98. If a poll is demanded as aforesaid it shall, subject to the provisions of Article 99 be taken in such manner and at such time and place as the Chairman of the Meeting directs and either at once or otherwise not being later than 48 hours from the time of such demand and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

In what cases poll taken without adjournment.

99. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken forthwith, in accordance with the provisions of these Articles, the Chairman elected on a show of hands exercising all the powers of the Chairman under the said provisions. If

some other person is elected Chairman as a result of the poll, he shall be Chairman for the rest of the meeting.

100. The Chairman of a general meeting may, with the consent of the meeting, and shall, if so directed by the meeting, adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned sine die or for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any Notice of an adjournment or of the business to be transacted at an adjourned meeting.

Power to adjourn
General Meeting.

101. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Business may proceed
not withstanding
demand of poll.

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

Right of member to use
his votes differently.

103. (1) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him.

Scrutineers at poll.

(2) The Chairman of the meeting shall have the power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancy in the office of scrutineer arising from such removal or from any other cause.

(3) Of the two scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting, provided such a member is willing to be appointed.

104 The Chairman of any meeting shall be sole judge of the validity of every vote tendered at such meeting. The Chairman of the meeting present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman's decision
conclusive.

105. At every Annual General Meeting of the Company there shall be laid on the table the Report of the Directors, the Profit and Loss Account, Balance Sheet and Report of the Auditors, such documents (if any) required by law to be annexed or attached thereto and the Register of Directors shareholding. The Auditors' Report shall be read before the Company in Annual General Meeting and shall be open to inspection by any member of the Company.

Report of the Directors,
Profit & Loss Account.
Balance Sheet and
Report of the Auditors.

105A. After the Balance Sheet and the Profit and Loss Account have been laid before the Company at the Annual General Meeting as aforesaid, the same shall be filed with the Registrar in accordance with the provisions

Filing with Registrar.

of Section 220 of the Act within 30 days from the date on which the Balance Sheet and the Profit and Loss Account were so laid.

Resolutions passed at
adjourned meeting.

106. Where a resolution is passed at an adjourned meeting of -

- (a) the Company;
- (b) the holders of any class of shares in the Company; or
- (c) the Board of Directors of the Company;

the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Registration of certain
resolutions and
agreements.

107. A copy of each of the following resolutions (together with explanatory statement thereof issued pursuant to Sec. 173 of the Act) or agreements shall, within thirty days after the passing or making thereof, be printed or type-written and duly certified under the signature of an officer of the Company and filed with the Registrar. A copy of such resolution which has the effect of altering the Articles and a copy of every agreement aforesaid shall also be embodied in or annexed to every copy of the Articles issued after passing of the resolution or making of the agreement.

- (a) Special resolution.
- (b) Resolution which has been agreed to by all the members of the Company, but which, if not so agreed to, would not have been effective for its purpose unless it has been passed as a special resolution.
- (c) Any resolution of the Board of Directors or agreement relating to the appointment, re-appointment or renewal of the appointment, or variation of the terms of appointment, of a Managing Director.
- (d) Resolutions or agreements which has been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for its purpose unless it has been passed by some particular majority or otherwise in some particular manner; and any resolution or agreement which effectively binds all the members of any class of shareholders, though not agreed to by all those members.
- (e) Resolution requiring the Company to be wound up voluntarily passed in pursuance of Sub-section (1) of Section 484 of the Act.
- (f) Resolution passed pursuant to Section 293(1) Sub-clauses (a), (d) or (e) of the Act.
- (g) Resolution approving the appointment of Sole Selling Agents u/s 294 of the Act.

Minutes of General
Meeting.

108. (a) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting, entries thereof in a book kept for that purpose with pages consecutively numbered. Each page of every such book shall be initialled or

signed and the last page of the record of proceeding of each meeting shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

(b) Minutes of meetings kept in accordance with this Article shall be evidence of the proceedings recorded therein.

(c) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company, unless it includes the matters required by Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.

109. The book containing the aforesaid minutes shall be kept and be open to the inspection of any member without charge as provided in Section 196 of the Act and he shall be furnished with a copy of any minutes in accordance with the terms of that Section.

Inspection of Minutes
Books of General
Meetings.

(3) VOTES OF MEMBERS

110. (a) Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands, every member being a holder of Ordinary Shares present in person or if a body corporate through a representative appointed under the provisions of Section 187 of the Act and Article 111 hereof or by proxy shall have one vote and on a poll the voting right of such member whether present in person or by representative or by proxy shall be in proportion to his share of the paid up equity share capital of the Company. Members who are holders of Preference Shares shall be entitled to be present at any meeting of the Company but shall not be entitled to vote thereat.

Votes of Members.

(b) In case the Company accepts from any member the whole or a part of the amount remaining unpaid on any shares (whether equity or preference shares) held by him, although no part of the amount has been called up, the member shall not be entitled to any voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.

111. (a) A body corporate (whether a Company within the meaning of Act or not) may, if it is a member of the Company, by resolution of its board of directors or other governing body, authorise such person as it thinks fit, to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company. If such body corporate be a creditor (including a holder of debentures) of the Company, it may by a resolution of the Board of Directors or other governing body, authorise such person as it thinks fit, to act as its representative at any meeting of any creditors of the Company held in pursuance of the Act or of any rules made thereunder, or in pursuance of the provisions contained in any Debenture or Trust Deed, as the case may be.

Representation of
Corporations at
meetings of Company
and of Creditors.

(b) A person authorised by a resolution, as aforesaid, shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body corporate could exercise if it were an individual member, creditor or holder of debentures of the Company, he shall be counted for the purpose of ascertaining whether a quorum of members is present.

(c) The production at the meeting of a copy of such resolution duly signed by one director of such body corporate or other duly authorised officer thereof and certified by him or them as being a true copy of the resolution may on production at the meeting be accepted by the Company as sufficient evidence of the validity of the appointment.

111 A. (1) The President of India or the Governor of a State, if he is a member of the Company, may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company.

Representatives of
President of India or
State Governors.

(2) A person appointed to act as aforesaid shall, for the purpose of the Act be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the President or, as the case may be the Governor could exercise as a member of the Company.

111 B. (1) Save as otherwise provided in Section 153B of the Companies Act, notwithstanding anything contained in any other provisions of the Act or any other Law or Contract or Memorandum or Articles, where any shares in the Company are held in Trust by a person (hereinafter referred to as Trustee) in respect of which a declaration under Section 153B of the Act has been filed with the Public Trustee, the rights and powers (including the right to vote by proxy) exercisable at any meeting of the Company or at any meeting of any class of members of the company by the Trustee as a member of the Company shall (a) cease to be exercisable by the Trustee as such member and (b) become exercisable by the Public Trustee.

Voting by Public
Trustee.

(2) The Public Trustee may instead of himself attending the meeting and exercising the rights and powers as aforesaid, appoint as his proxy an officer of Government or the Trustee himself to attend such meeting and to exercise such rights and powers in accordance with the directions of the Public Trustee.

Provided that where the Trustee is appointed by the Public Trustee as his proxy, the Trustee shall be entitled, notwithstanding anything contained in any other provisions of the Act to exercise such rights and powers in the same manner as he would have been but for the provisions of this Article.

(3) In order to enable the Public Trustee to exercise the rights and powers aforesaid, the Public Trustee shall also be entitled to receive and inspect all books and papers under the Act which a member is entitled to receive and inspect.

112. Subject to provisions of the Articles, any person entitled under the Transmission Article to transfer any shares may vote at any General Meeting in respect thereof, in the same manner as if he were the registered holder of such shares, provided that 48 hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or *non compos mentis*, he may vote whether on a show of hands or at a poll by his committee, *curator bonis* or other person recognised by the Company as entitled to represent such member and such last mentioned person may give his vote by proxy.

Votes in respect of deceased, insolvent or insane member.

113. Where there are joint registered holders of any share, any one of such persons may vote subject to the provisions of Article 110 at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy then that one of the said persons so present whose name stands prior in order on the Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed jointholders thereof.

Joint holders.

114. Votes may be given either personally or by proxy or in case of a Company or other body corporate by a representative duly authorised as aforesaid. A proxy or representative shall be entitled to vote on a show of hands as well as on a poll.

Proxies Permitted.

115. The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it. A proxy need not be a member of the Company. A proxy appointed as aforesaid shall not have any right to speak at any meeting.

Instrument appointing proxy to be in writing.

116. Every notice convening a meeting of the Company shall state with reasonable prominence that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and that a proxy need not be a member of the company.

Member entitled to vote and attend meeting is entitled to appoint proxy.

117. The instrument appointing a Proxy and the Power-of Attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Office not less than 48 hours before the time for holding a meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in case of a poll not less than 24 hours before taking the poll and in default, the instrument of proxy shall not be treated as valid.

Instrument appointing proxy to be deposited at the office.

118. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or

Validity of votes.

insanity of the principal or revocation of the instrument or transfer of the share in respect of which the vote is given: provided no intimation in writing of the death, insanity or revocation of the instrument or transfer of the share shall have been received at the Office or by the Chairman of the Meeting before the vote is given: Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

General Form of proxy.

119. An instrument appointing a proxy may be in either of the following forms or in a form as near thereto as circumstances admit :

GENERAL FORM

BIRLA CORPORATION LIMITED

I/We _____ of _____ in the district of _____ being a member/members of the above named Company hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting/General Meeting (not being an annual general meeting) of the Company to be held on the _____ day of _____ and at any adjournment thereof.

Signed this _____ day of _____ 20____

II.

Form for affording members an opportunity of voting for or against a resolution :

BIRLA CORPORATION LIMITED

I/We _____ of _____ in the district of _____ being, a member/members of the above named Company hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting/ General Meeting (not being an annual general meeting) of the Company, to be held on the _____ day of _____ 20____ and at any adjournment thereof *in favour of/against the resolution(s).

Signed this _____ day of _____ 20____

*Strike out whichever is not required.

120. Every member entitled to vote at a meeting of the Company according to the provisions of Article 110 hereof, or on any resolution to be moved thereat, shall be entitled during the period beginning twentyfour hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

Time and place to inspect the proxies lodged.

121. No member shall be entitled to be present or to vote on any question either personally or by proxy at any General Meeting or upon a poll or be reckoned in quorum while any call or other sum shall be due and payable to the Company in respect of any of the shares of such member or in regard to any shares on which the Company has and has exercised any right of lien.

Restriction on voting.

122. No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

Validity of votes.

V. DIRECTORS

(1) GENERAL PROVISIONS

123. Subject to the provisions of Sections 255 and 256 of the Act, until otherwise determined by the Company in General Meeting and subject to Section 252 of the Act the number of Directors shall not be less than four nor more than twelve including Ex-officio Directors.

Number of Directors.

124. At the date of adoption of these Articles, the following persons are the Directors of the Company :-

Directors in office at the date of adoption of these Articles.

1. Mr. L. N. Birla.
2. Mr. H. L. Somany.
3. Mr. G. D. Kothari.
4. Mr. J. M. Goenka.
5. Mr. P. D. Himatsingka.
6. Mr. M. P. Birla.

125. The qualification of a Director shall be the holding in his own right or jointly with another or others and whether beneficially or as a trustee for another or others or otherwise howsoever of Ordinary Shares in the Company of the nominal value of Rs. 5,000/- (Rupees Five thousand) on which all call shall have been paid. An Ex-officio Director or an alternate Director or a legal practitioner or a solicitor shall not require to hold any qualification shares.

Qualification of Directors.

126. Without prejudice to the restrictions imposed by Section 266 of the Act, a Director who is required to hold qualification shares may act as a Director before acquiring such shares but shall, if he is not already qualified, obtain his qualification within two months after his appointment or election,

Time for the Directors to acquire qualification.

and every Director other than a technical Director or a Director appointed by the Central or State Government, shall file with the Registrar a declaration specifying the qualification shares held by him, within two months from his appointment as a Director.

127. *Each Director shall receive 'such sum as sitting fees for attending each meeting of the Board or Committee thereof as may be fixed by the Board from time to time within the limits prescribed in this regard by or under the provisions of the Companies Act, 1956,' and in addition all the Directors shall receive a Commission of one per centum on the net profits, as computed under the provisions of the Companies Act, 1956 of the Company, such Commission to be divided among them equally or as they may determine.

Remuneration of Directors.

128. The Directors may allow and pay to any Director who for the time being is resident out of the place at which any Meeting or Committee Meeting of the Directors may be held and who shall come to that place for the purpose of attending such Meeting, such sum as the Directors may consider fair and reasonable for his expenses and loss of time in connection with his attending at the meetings in addition to his remuneration as specified hereinbefore. The Directors may also be paid or reimbursed all travelling, hotel and other expenses properly incurred by them in connection with the business of the Company. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company, the Directors shall be entitled to remunerate such Director subject to the provisions of the Act either by a fixed sum or percentage of profit or in any other manner as may be determined by the Directors in addition to the remuneration provided herein before.

Payment of expenses.

Further remuneration.

128A. Subject to the provisions of Sections 309 and 198 of the Act and subject to approval of the Share holders in a General Meeting, a Director who is either in the whole time employment of the Company or a Managing Director may be paid remuneration either by way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, as the Board of Directors of the Company may so decide.

Remuneration of Managing and Whole time Directors.

129. The continuing Directors may Act notwithstanding any vacancy in their body; but so that subject to the provisions of the Act if the number falls below the minimum above fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filling vacancies or summoning a general meeting of the Company or in emergencies only.

Continuing Directors may act.

130. Except in cases where Section 314 of the Act would not apply or its provisions have been fulfilled, no director of a Company, no partner, or relative of such a director, no firm in which such a director or relative is a partner, no private company of which such a director is a director or member, and no director, or manager of such a private company shall hold any office or place of profit, except that of Managing Director, Manager, Legal or Technical Adviser, Banker, or Trustee for the holders of Debentures of the Company :

Directors not to hold Office of Profit.

* Substituted for Rs. 10,000/- as per Special Resolution passed at the Annual General Meeting held on 14.09.06.

(a) under the Company, or

(b) under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place is paid over to the Company or its holding company.

Directors may contract with Company.

131. Subject to the provisions of Section 297 and other applicable provisions, if any, of the Act, a Director or his relative, a firm in which such Director or relative is a partner, any other partner in such a firm, or a private Company of which such Director is a member or director, may enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services; or for underwriting the subscription of any shares in, or debentures of, the Company, provided that the consent of the Directors is obtained by a Resolution passed at a meeting of the Directors before the contract is entered into or within three months of the date on which it was entered into. No such consent, however shall be necessary (a) for the purchase of goods and materials from the Company or the sale of goods and materials of the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices, or (b) to any such contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials or services in which either the Company or the director, relative, firm, partner or private company, as the case may be, regularly trades or does business, provided that such contract or contracts do not relate to goods, and materials the value of which, or to services the cost of which, exceeds Rs. 5000 in the aggregate in any year comprised in the period of the contract or contracts. The Director so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

Registers of Contracts.

132. The Company shall keep one or more registers in which shall be entered separately such of particulars as may be relevant of all contracts or arrangements to which Sections 297 and 299 of the Act apply such as the date of the contract or arrangement, the names of the parties thereto, the principal terms and conditions thereof, the date on which it was placed before the Board of Directors, the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral. Particulars of every such contract or arrangement shall be entered in the Register aforesaid within three days of the meeting of the Board at which the contract or arrangement was approved and the Register shall be placed before the next meeting of the Board and shall be signed by all the Directors present at that meeting. The Register aforesaid shall also specify in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Section 299(3) of the Act. The Register shall be kept at the registered office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same

manner, and on payment of the same fee, as in the case of the Register of Members of the Company; and the provisions of Section 163 of the Act shall apply accordingly.

133. A Director of this Company may, be or become a Director of any Company promoted by this Company or in which it may be interested as a vendor, shareholder or otherwise, and no such Director shall be accountable for any benefits received as a Director or member of such company.

When Director of the Company is appointed Director of a subsidiary Company.

134. Whenever the Company enters into a contract for the appointment of Managing or Wholtime Director of the Company in which contract any Director of the Company is directly or indirectly concerned or interested, or varies any such existing contract, the Company shall in accordance with Section 302 of the Act, within 21 days from the date of entering into the contract or the varying of such contract, send an abstract of the terms of such contract or variations, as the case may be, together with a memorandum clearly indicating the nature of the interest of the Director in such contract, or in such variation, to every member of the Company, and the contract shall be open to the inspection of any member at the office, and in this connection all the other provisions of Section 302 of the Act shall be duly complied with.

Abstract of contents of contracts in certain cases.

(2) DISQUALIFICATION OF DIRECTORS

135. Subject to the provisions contained in sub-section (2) of Section 283 of the Act, the Office of a Director shall become vacant if :

Disqualification of Directors.

(a) he fails to obtain within the time specified in sub-section (1) of Section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any, required by him by the Articles of the Company ;

(b) he is found to be of unsound mind by a Court of competent jurisdiction;

(c) he applies to be adjudicated as insolvent;

(d) he is adjudged an insolvent;

(e) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months;

(f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure;

(g) an office or place of profit is held in contravention of Section 314 of the Act and the director concerned is deemed to have vacated office under that section;

(h) he absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;

(i) he whether by himself or by any person for his benefit or on his account, or any firm in which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the company in contravention of section 295 of the Act;

(j) he acts in contravention of Section 299 of the Act;

(k) he becomes disqualified by an order of Court under Section 203 of the Act; or

(l) he is removed in pursuance of Section 284 of the Act.

(3) APPOINTMENT AND REMOVAL OF DIRECTORS

Appointment of
Directors.

136. The Company in general meeting may, subject to the provision of these Articles and the provisions of Sections 252, 255 and 259 of the Act, by an ordinary resolution, increase or reduce the number of its Directors within the limits fixed in that behalf by these Articles.

Removal of Directors

137. (a) The Company may, by an ordinary resolution, remove a Director before the expiry of his period of office;

(b) special notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of a Director so removed at the Meeting at which he is removed;

(c) a vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in general meeting or by the Board in pursuance of Sections 260 or 262 of the Act, be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been given under sub-clause (b) above, and any person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid ;

(d) if the vacancy is not filled under sub-clause (c) above, it may be filled as a casual vacancy in accordance with the provisions, so far as they may be applicable, of Section 262 of the Act and all the provisions of that Section shall apply accordingly; provided that the Director who was removed from Office shall not be re-appointed as a Director by the Board.

Appointment of
Additional Directors.

138. The Directors shall have the power at any time and from time to time to appoint any person other than a person who has been removed from office of a Director of the Company under Article 137 to be a Director of the

Company as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed. Any Director so appointed shall hold office only upto the date of the next following Annual General Meeting of the Company.

139. The Directors at a meeting of the Board shall have the power to fill a vacancy in the Board if the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire in the usual course.

Casual Vacancy may be filled by the Board.

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

Debenture Directors.

141. (a) The Board of Directors may appoint an alternate Director to act for a Director (hereinafter called the 'Original Director') during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held, hereinafter called the State.

Alternate Directors.

(b) An alternate Director appointed under sub-clause (a) above shall be entitled to notice of the Meeting of the Board and to attend and vote thereat and be remunerated accordingly but he shall not be required to hold any qualification shares. Provided that he shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State.

(c) If the term of office of the Original Director is determined before he so returns to the State, any provision for the automatic re-appointment of a retiring director in default of another appointment shall apply to the Original Director and not to the alternate Director.

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

Consent to act as a Director.

(ii) A person other than

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

(b) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262, appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office shall not act as a director of the Company unless he has in accordance with Section 264 of the Act within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

(4) ROTATION OF DIRECTORS

Rotation of Directors.

143. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation, or if the number is not three or a multiple of three, then, the number nearest to one third, shall retire from office. The Directors to retire at each Annual General Meeting shall be the Director who have been longest in office since their last appointment. As between persons who became Directors on the same day, those who are to retire shall (in default of agreement between them) be determined by lot. For the purpose of this Article, a Director appointed to fill a vacancy under the provisions of Article 139 shall be deemed to have been in office since the date on which the Director, in whose place he was appointed, was last elected as a Director.

Retiring Director
eligible for re-election.

144. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.

Company may fill in
vacancy.

145. Subject to the provisions of Article 136, the Company at the Annual General Meeting at which any Director retires in the manner aforesaid may fill up the vacated office by electing the retiring director or some other person thereto.

Adjournment of
meeting for election of
Director.

146. (a) If at any meeting at which any election of Directors ought to take place, the places of the vacating Directors are not filled up, and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.

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

(i) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to meeting and lost ;

(ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;

(iii) he is not qualified or is disqualified for appointment;

(iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act; or

(v) the proviso to sub-section (2) of Section 263 or sub-section (3) of 280 of the Act is applicable.

Where a Director is to retire at any Annual General Meeting both by virtue of Article 143 and sub-section (2) of Section 280 of the Act, he shall be deemed for the purposes of these Articles to retire by virtue of Article 143.

(5) PROCEEDINGS OF DIRECTORS

147. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit, provided however that a meeting of the Board of Directors shall be held at least once in three months and at least four such meetings shall be held in every year. The quorum for a meeting of the Board of Directors of the Company shall be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two Directors whichever is higher; provided that where at any time the number of interested directors exceeds or is equal to two-thirds of the total strength, the number of the remaining directors, that is to say, the Directors present and not interested not being less than two shall be the quorum during such time.

Meetings of Directors.

148. If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present for the meeting may fix.

Adjournment of meeting for want of quorum.

149. Any Director may and the Secretary and/or any other authorised Officer of the Company shall from time to time and also upon the request of a Director shall convene a Meeting of the Board. Notice of every Meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

Summoning a meeting of Directors.

150. Subject to the provision of the Act, questions arising at any meeting shall be decided by a majority of votes, each Director having one vote, and in case of an equality of votes the Chairman shall have a second or casting vote.

Voting at meeting.

151. The Board from time to time may elect a Chairman of its meetings and determine the period for which he is to hold office. If the Chairman has

Chairman of meeting.

notified the Company of his inability to be present at the Board meeting or if at any meeting, the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as the Chairman, or if no such Chairman is elected, the Directors present may choose one of their number to be Chairman of the meeting.

Act of meeting.

152. A meeting of the Board at which quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company for the time being vested in or exercisable by the Directors generally. In the exercise of any such authorities and powers and discretions, the Directors shall have regard to the restrictions imposed on the powers of the Board by Section 293 of the Act.

Delegation to Committee.

153. The Directors may, from time to time, subject to the provision of the Act, and in particular to Section 292 of the Act, delegate any of their powers to a committee consisting of such member or members of their body as they think fit and may from time to time revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Directors. The meeting and proceedings of any such Committee, if consisting of two or more members, shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under this Article.

Validity of Acts.

154. All acts at any meeting of Directors or of a Committee of the Directors or by any person acting as a Director shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors, Committee or a person acting aforesaid or that they or any of them were disqualified, be as valid as if every such director or such person or committee had been duly appointed and was duly qualified; provided always that nothing in the Article shall be deemed to give validity to acts done by such Directors, Committee or person acting as aforesaid after it has been shown that there was some defect in any such appointment or that they or any of them were disqualified.

Resolution by Circulation.

155. Subject to the provisions of the Act a resolution shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted if it has been circulated in draft together with necessary papers, if any, to all the Directors then in India (not being less in number than the quorum fixed for a meeting of the Board) and to all other Directors at their usual address in India and has been approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote on resolution.

Minutes to be made.

156. The Company shall cause minutes of all proceedings at every meeting of the Board of Directors or of every Committee of the Board to be

kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered. The minutes shall contain a fair and correct summary of the proceedings at each such meeting including the following :

(i) The names of the Directors present at the meeting of the Directors and of any Committee of Directors;

(ii) all orders made by the Directors and Committee of Directors and of all appointments of officers made at the meeting;

(iii) all resolutions and proceedings of the meeting of the Directors and of the Committee of Directors; and

(iv) in the case of each resolution passed at the meeting of the Directors or of a Committee of Directors, the names of Directors if any, dissenting from, or not concurring in, the resolution.

Every page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting of the Board or of the, Committee shall be dated and signed by the Chairman of the respective meeting or by the Chairman of the next succeeding meeting.

Minutes of meetings kept as aforesaid shall be evidence of the proceedings recorded therein.

157. The Company shall maintain the following registers, books and documents besides any others which may be statutorily required :-

Registers, Books and Documents to be maintained by the Company

(a) Register of Investments not held in Company's names according to Section 49 of the Act.

(b) Register of Mortgages and Charges according to Section 143 of the Act.

* (c) Register of members and Index in accordance with Sections 150 & 151 of the Act and the Depositories Act, 1996.

* (d) Register and Index of Debentureholders in accordance with Section 152 of the Act and the Depositories Act, 1996. The Register and Index of Beneficial owners maintained by a Depository under Section II of the Depositories Act, 1996 shall be deemed to be Register and Index of Debentureholders for the purpose of this Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debentureholders resident in that state or country.

e) Register of Contracts, Companies and Firms in which Directors are interested according to Section 301 of the Act.

* Substituted as per Special Resolution passed at the Annual General Meeting held on 16th September 1998

(f) Register of Directors, etc. according to Section 303 of the Act.

(g) Register of Directors Shareholdings etc. according to Section 307 of the Act.

(h) Copy of instrument creating any charge requiring registration according to Section 136 of the Act.

(i) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of Certificates and documents required to be annexed thereto under Section 161.

Inspection of Registers
etc.

158. The said Registers, books and documents shall be kept open for inspection by such persons as may be entitled thereto respectively under the Act on such days and during such business hours as may, consistently with the provision of the Act in that behalf, be determined by the Company in the General Meeting.

(6) POWERS OF DIRECTORS

Powers of Directors

159. (1) The management and control of the business of the Company shall be vested in the Directors who may exercise all such powers of the Company and do all such acts and things as are, by the Act, or any statutory modification thereof for the time being in force or by any other Acts or by the Memorandum or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provision of the Act, or any statutory modification thereof for the time being in force, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board of Directors shall not, except with the consent of the company in General Meeting;

(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking;

(b) remit, or give time for the repayment of, any debt due by a Director;

(c) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it

cannot be carried on or can be carried on only with difficulty or only after a considerable time;

(d) borrow moneys, where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specified purpose; or

(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five percent of its average net profits as determined in accordance with the Act during the three financial years, immediately preceding, whichever is greater.

(2) The Directors shall also exercise the powers mentioned in Sections 262, 284, 292, 297, 316, 386 and 488 of the Act only at meetings of the Directors and in accordance with the provisions of the said Sections or any statutory modifications thereof.

160. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power :-

Express Powers of the Board.

(1) To pay and charge to the capital account of the Company and commission or interest lawfully payable thereof under the provisions of Sections 76 and 208 of the Act.

Payment of Commission or interest out of capital.

(2) Subject to Sections 292, 297 and 360 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and any such purchase or other acquisitions to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

Acquire property rights or privileges.

(3) At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled Capital or not so charged.

Pay for Property rights in shares, bonds, debentures etc.

Secure contracts by mortgage of property

(4) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled Capital for the time being or in such manner as they may think fit.

Accept surrender of Shares.

(5) To accept from any Member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.

Appoint Trustees.

(6) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.

Institute and defend suits.

(7) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon; provided that the Directors shall not except with the consent of the Company in General Meeting remit or give time for the repayment of any debt due by a Director.

Act in insolvency matters.

(8) To act on behalf of the Company in all matters relating to bankrupts and insolvents.

Give receipts etc.

(9) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company.

To invest moneys.

(10) Subject to the provisions of Sections 49, 77, 292, 293 (1)(c), 295, 369, and 373 of the Act and of Article 159 to invest and deal with any moneys of the Company not immediately required for the purposes thereof, upon such security (not being shares of the Company) or without security or in such investments and in such manner as they may think fit, and from time to time to vary or realise such investments save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.

Execute mortgage in favour of a Director.

(11) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.

(12) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.

Authorise to sign cheques, receipts, etc.

(13) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company, a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.

Distribute bonus etc. to staff.

(14) Subject to the applicable provisions of Section 293(1)(e) and Section 293A of the Act, to subscribe, contribute or guarantee money for any national, charitable, benevolent, political, public, general or useful object or for any exhibition.

Subscribe to Charitable and other funds.

(15) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit persons who are or have been employed by or who are serving or have served the Company or its predecessors in business or the dependents or connections of such persons and to grant pensions and allowances and to make payments towards insurance.

Provide for welfare of employees, grant pensions etc.

(16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture stock or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company, and for such other purposes (including the purposes referred to in the preceding clause) as the Directors may, in their absolute discretion, think conducive to the interest of the Company and subject to Sub-clause (10) hereinabove and Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board of Directors, in their absolute discretion, think conducive to the interest of the Company, notwithstanding that the matters to which the Board of Directors apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board of Directors may think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of debentures or debenture stock, and without being bound to keep the same separate from the other assets, and without being bound to pay

Set aside for depreciation and/or create depreciation and other funds.

interest on the same, with power, however, at their discretion, to pay or allow to the credit of such funds interest at such rate as they may think proper, not exceeding nine per cent per annum.

To appoint Managers,
Secretaries, employees,
etc.

(17) To appoint, and at their discretion, remove or suspend, such managers, secretaries, officers, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries, emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in the three next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.

Establish Local Boards.

(18) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, and to fix their remuneration.

Delegation of powers.

(19) Subject to Section 292 of the Act, from time to time, and at any time, to delegate to any person appointed as aforesaid any of the powers, authorities, and discretions for the time being vested in the Directors other than their power to make calls or to issue debentures; and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed as may annul or vary any such delegation.

To appoint Attorneys.

(20) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents and excluding the power to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow or invest moneys) and for such period and subject to such conditions as the Directors may from time to time think fit; and any such appointment may (if the Directors think fit) be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Directors and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit, and may contain powers enabling any such delegates or attorneys as

aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

(21) Subject to the provisions under Sections 294, 297, 300, and other applicable Sections, if any, of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

Make contracts etc.

VI. MANAGERIAL PERSONNEL

161. (i) Subject to the provisions of the Act, the Board of Directors may from time to time appoint any one or more of their body to be the Managing Director or Managing Directors (in which expression shall be included Joint Managing Director/s) of the Company for such term not exceeding five years at a time and upon such terms and conditions as they may deem fit and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

Appointment of
Managing Director.

(ii) Subject to the provisions of the Act and of these Articles, the Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotating of retirement of Directors or in fixing the number of Directors to retire, but subject to terms of any contract between him and the Company, he shall be subject to the same provisions as to qualifications, resignation and removal as the other Directors of the Company, and he shall *ipsofacto* and immediately cease to be the Managing Director, if he ceases to hold the office of Director for any cause whatsoever.

Managing Director not
to retire by rotation.

(iii) Subject to any contract between the Company and the Managing Director and subject to the approval of the Share holders in a General Meeting, the remuneration of the Managing Director shall from time to time be fixed in accordance with the provisions of the Act and may be by way of fixed salary or commission or participation in profits or by any or all of these modes or in any other form and may be in addition to the remuneration for attendance at Board meetings as may be provided under the other provisions of these Articles and may provide for minimum remuneration in case of loss, inadequacy or absence of profits.

Remuneration of
Managing Director.

(iv) The Board of Directors may from time to time entrust to and confer upon the Managing Director for the time being, such of the powers exercisable under these Articles by the Directors as they think fit, and may confer such powers for such time and to be exercisable for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient, and they may confer such powers either collaterally

Power of Managing
Director.

with or to the exclusion of or in the substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers. Unless and until otherwise determined by the Board of Directors, the Managing Director may exercise all powers exercisable by the Directors save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves. The Board of Directors may, whenever there are more than one Managing Director, decide whether they should act jointly or severally, and may if they think fit delegate powers separately to one or more Managing Directors.

Appointment of
Wholetime Directors.

161A. Subject to the provisions of the Act and these Articles, the Directors may, from time to time, appoint one or more of their body to be the Whole-time Director or Whole-time Directors of the Company, for such term and subject to such contract, as they may think fit.

Wholetime Director.

161B. A Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation but subject to the provisions of any contract between him and the Company, he shall be subject to the same provisions as resignation and removal as the other Directors of the Company and he shall *ipso facto* and immediately cease to be a Wholetime Director if he ceases to hold the office of the Director of the Company from any cause.

Appointment of
Nominee Director(s).

161 C. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), and General Insurance Corporation of India (GIC), and its subsidiaries or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC, UTI and GIC & its subsidiaries or any other Finance Corporation or Credit Corporation or any other Financing Company or Body [each of which IDBI, IFCI, ICICI, LIC, UTI and GIC & its subsidiaries or any other Finance Corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as "the Corporation(s)] out of any loans granted by them to the Company or so long as the Corporation(s) holds debentures in the Company by direct subscription or private placement, or so long as the Corporation(s) holds any equity and/or preference shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation(s) on behalf of the Company remains outstanding, the Corporation(s) shall have a right to appoint from time to time, any person or persons as a Director or Directors, wholetime or non-wholetime, (which Director or Directors is/are hereinafter referred to as "Nominee Director/s) on the Board of Directors of the Company and to remove

from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation(s) such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation(s) such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation(s) or so long as the Corporation(s) holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation(s) hold shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall *ipsofacto* vacate such office immediately the moneys owing by the Company to the Corporation(s) are paid off or on the Corporation(s) ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation(s).

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/ are member/s as also the minutes of such meetings. The Corporation(s) shall also be entitled to receive all such notices and minutes of such meetings.

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation(s) and the same shall accordingly be paid by the Company directly to the Corporation(s). Any expenses that may be incurred by the Corporation(s) or such Nominee Director/s in connection with their appointments or Directorships shall also be paid or reimbursed by the Company to the Corporation(s) or as the case may be to such Nominee Director/s.

Provided that if any such Nominee Director is an Officer of the Corporation, the sitting fees, in relation to such Nominee Director shall also accrue to the Corporation and the same shall accordingly be paid, by the Company directly to the Corporation.

In the event of the Nominee Director/s being appointed as Wholetime Director/s such Nominee Director/s shall exercise such powers and have such

rights as are usually exercised or available to the Wholetime Director, in the management of the affairs of the Company. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation(s).

VII. THE SECRETARY

Secretary may be appointed.

162. The Directors may from time to time appoint, and at their discretion remove, a Secretary, to keep the Registers required to be kept by the Company, to perform any other functions which by the Act or the Articles for the time being of the Company are to be performed by the Secretary, and to execute any other duties which may from time to time be assigned to the Secretary by the Directors.

Temporary substitute

163. The Directors may at any time appoint a temporary substitute for the Secretary who shall for the purpose of these Articles be deemed to be the Secretary.

VIII. THE SEAL

Custody of seal etc.

164. The Directors shall provide a Common Seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The seal shall remain in the custody of Directors or such person or persons as the Board may appoint in that behalf. The seal shall never be used except by the authority of the Board or a Committee of the Board previously given and one Director at least shall sign every instrument to which the seal is affixed.

Provided however, that, every share certificate or duplicate thereof when necessary shall be issued under the seal of the Company which shall be affixed in the presence of

(i) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney; and

(ii) the Secretary or some other person appointed by the Board for the purpose.

The two Directors or their attorneys and the Secretary or other person aforesaid shall sign the share certificate.

A Director may sign a Share Certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp, provided that such director shall be responsible for the safe custody of such machine, equipment or other means used for the purpose.

IX. ANNUAL RETURNS.

Annual Returns.

165. The Company shall make the requisite annual returns in accordance with Sections 159 and 161 of the Act.

X. BOOKS, ACCOUNTS, AUDIT AND DIVIDENDS.

(1) BOOKS OF ACCOUNT

166. The Director shall cause to be kept proper books of account with respect to :- Books of Account to be kept.

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company.
- (d) such particulars relating to utilisation of material or labour or to other item of cost as may be prescribed, in regard to any undertaking of the Company if so required by the Central Government to include such particulars in the Books of Account.

The Books of Account shall be kept at the registered office of the Company or pursuant to the provisions of Section 209 of the Act at such other place or places as the Directors think fit.

The Books of Account relating to a period of not less than 8 years immediately preceding the current year together with the vouchers, relevant to any entry in such books of account shall be preserved in good order.

166A. (i) The Books of Account and other Books and papers shall be open to inspection by any Director during business hours.

(ii) subject to the provisions of Section 209 of the Act, the Books of Account and other Books and papers of the Company shall also be open to inspection during business hours :

- (i) by the Registrar.
- (ii) by such officer of the Government, as may be authorised by the Central Government in this behalf.

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

**(2) BALANCE SHEET AND PROFIT AND
LOSS ACCOUNTS**

Accounts and Balance
Sheet.

168. (1) The Board of Directors shall lay before each Annual General Meeting in the form and giving the information required by the Act, a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date not preceding the day of the meeting by more than six months or where an extension of time has been granted by the Registrar under the provisions of the Act by more than six months and the extension so granted.

Profit & Loss Account.

(2) The Profit and Loss Account shall, in addition to the matters referred to in Section 211 of the Act, show, arranged under the most convenient heads, the amount of gross income distinguishing the several sources from which it has been derived, and the amount of gross expenditure, distinguishing the expenses of the establishment, salaries and other like matters. Every item of expenditure fairly chargeable against the year's income shall be brought into account so that a just balance of profit and loss may be laid before the meeting, and in cases where any items of expenditure which may in fairness be distributed over several years has been included in anyone year the whole amount of such item shall be so stated, with the addition of the reasons why only a portion of such expenditure is charged against the income of the year; provided always that a statement of the reasons why of the whole amount of any item of expenditure which may in fairness be distributed over several years, only a portion thereof is charged against the income of the year shall be shown in the Profit and Loss Account, unless the Company in General Meeting shall determine otherwise.

Auditors' Report to be
attached.

(3) The Auditors' Report (including auditors' special or supplementary report, if any) shall be attached to the Balance Sheet and Profit and Loss Account or there shall be inserted at the foot thereof a reference to the report, and the report shall be read before the Company in General Meeting and shall be open to inspection by any shareholder.

Report of Directors.

169. Every such Balance Sheet shall be accompanied by a Report of the Directors and the Balance Sheet, Profit and Loss Account and the Report shall be signed in accordance with the provisions of Sections 215 and 217 of the Act.

Copies to be sent to
members.

170. A copy of every Balance Sheet (including the Profit and Loss Account, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Balance Sheet) which is to be laid before the Company in General Meeting shall, not less than 21 days before the date of the meeting, be sent to every member of the Company, to every holder of Debentures issued by the Company (not being debentures which ex-facie are payable to the bearer thereof), to every trustee for the holders of any debentures issued by the Company, whether such member, holder or trustee is or is not entitled to have notices of General Meetings of the Company sent to him, and to all persons other than such members, holders or trustees, being persons so entitled; provided that this Article shall not require a copy of the documents aforesaid to be sent :

(i) to a member, or holder of debentures, of the Company, who is not entitled to have notices of General Meetings of the Company sent to him and of whose address the Company is unaware;

(ii) to more than one of the joint-holders of any shares or debentures none of whom is entitled to have such notices sent to him; or

(iii) in the case of joint-holders of any shares or debentures some of whom are and some of whom are not entitled to have such notices sent to them, to those who are not so entitled.

If the copies of the documents aforesaid are sent less than 21 days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by all the members entitled to vote at the meeting.

171. After the Balance Sheet and Profit and Loss Account have been laid before the Company's General Meeting, three copies of such Balance Sheet and Profit and Loss Account signed by the Managing Director, Manager or Secretary of the Company or if there be none of these, by a Director of the Company (together with three copies of all documents which are required by the Act to be annexed or attached to such Balance Sheet or Profit and Loss Account) shall be filed with the Registrar at the same time as the copy of the Annual Return referred to in Section 159 of the Act is filed.

Copies of Balance Sheet to be filed.

(3) AUDIT

172. Once at least in every year the accounts of the Company shall be examined and the correctness of the Balance Sheet and Profit and Loss Account ascertained by one or more Auditor or Auditors.

Accounts to be audited.

173. (1) The Company at the Annual General Meeting in each year, shall appoint an Auditor or Auditors to hold office from the conclusion of the said meeting until the conclusion of the next Annual General Meeting and shall, within 7 days of the appointment, give the intimation thereof to every auditor so appointed unless he is a retiring auditor.

Appointment of Auditors.

(2) The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act.

174. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

Remuneration of Auditors.

175. (1) Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such

Rights and duties of Auditors.

information and explanations as may be necessary for the performance of the duties of the Auditors.

(2) All notices of, and other communications relating to, any general meeting of the Company which any member of the Company is entitled to be sent to him shall also be forwarded to the auditor of the Company, and the auditor shall be entitled to attend any general meeting and to be heard at any general meeting which he attends on any part of the business which concerns him as Auditor.

When Accounts to be deemed finally settled.

176. Every Balance Sheet and Profit and Loss Account when audited and approved by an Annual General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and henceforth shall be conclusive.

(4) DIVIDENDS

Division of Profits.

177. Subject to the provisions of these Articles and Section 205 of the Act, the net profits of the Company (after making provision, if any, for sinking fund, depreciation and reserve funds and carrying forward balances) which shall from time to time be determined to be divided in respect of any year or other period shall be applied first in paying the preferential dividend on the capital paid up on the Preference Shares, if any, to the close of such year or other period and the surplus shall be divisible amongst the holders of Equity Shares in proportion to the amounts paid up on the Equity shares held by them respectively.

Capital paid in advance of calls

178. When capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

Declaration and payment of Dividends.

179. The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to Section 207 of the Act, fix the time for payment. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.

Dividend out of profits, only and not to carry interest.

180. No dividend shall be payable except out of the profits of the Company for the year or any other undistributed profits arrived at after providing for depreciation in the manner specified in Section 205 of the Act, and no dividend shall carry interest as against the Company.

What is to be deemed net profits.

181. The declaration of the Directors as to the amount of the net profits of the Company in any year shall be conclusive.

182. The Directors' may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies.

Interim dividend.

183. The Directors may retain the dividend payable upon shares in respect of which any person is under "The Transmission Article" entitled to become a member, or which any person under that Article is entitled to transfer, until such person shall become a member in respect thereof or shall duly transfer the same.

Company may retain dividends.

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

Dividend and call together.

185. Any General Meeting declaring a dividend may upon the recommendation of the Directors resolve that such dividend be paid wholly or in part in fully paid up bonus shares or be utilised in paying up any amount for the time being unpaid on any shares held in the Company.

Dividend in specie.

186. Any General Meeting may, upon the recommendation of the Board resolve that any moneys, investments of other assets forming part of the undivided profits of the Company standing to the credit of any reserve fund or special account or in the hands of the Company and available for dividend and including any profits arising from the sale or revaluation of the assets of the Company or any part thereof or by reason of any other accretion to capital assets be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such members in paying up in full either at par or at such premium as the resolution may provide any unissued shares, debentures, or debenture-stock of the Company which shall be distributed accordingly towards payment of the uncalled liability on any issued shares, or debentures or debenture-stock, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum.

Capitalisation of Reserves.

187. For the purpose of giving effect to any resolution under the two last preceding Articles the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed or that fractions of less value than rupee one may be disregarded in order to adjust the rights of all parties and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividends or capitalised fund as may seem expedient

Fractional certificates.

to the Directors. Where required a proper contract shall be filed in accordance with the provisions of the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

To whom dividends payable.

188. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer, and, subject to the provisions of these Articles, no dividend shall be payable to any person whose name does not appear on the register of members except with the authority, special or general, of the Directors.

Any one of joint holders can give receipts.

189. Anyone of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.

Payment by post.

190. Unless otherwise directed, any dividend may be paid by cheque, warrant or postal money order sent through the post to the registered address of the member or persons entitled thereto or in the case of joint holders to the registered address of that one whose name stands first on the Register in respect of the joint-holding or to such person and such address as the member or person entitled or such joint-holders as the case may be, may in writing direct; and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

When payment a good discharge.

191. The payment of every cheque or warrant sent under the provisions of the last preceding Article, shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof; provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.

Unclaimed dividends.

192. The Company shall comply with the provision of Section 205A of the Act in respect of unclaimed or unpaid dividend.

XI. MISCELLANEOUS.

(1) SERVICE OF DOCUMENTS.

How notice to be served on members.

193. (1) A document may be served by the Company on any member either personally or by sending it by post to him to his registered address or if he has no registered address in India, to the address, if any, within India supplied by him to the Company for the giving of notices to him.

Service by post.

(2) Where a document is sent by post, service thereof shall be deemed to have been effected by properly addressing, prepaying and posting a letter containing the document, and in the case of a notice of a meeting at the expiration of 48 hours after the letter containing the same is so posted,

and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

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

Member resident abroad.

195. A document may be served by the Company on the joint- holders of a share by serving it on the joint-holder named first in the Register in respect of the share.

Notice to joint-holders.

196. A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignee of the insolvent or any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

Notice to persons entitled by transmission.

197. Notice of every General Meeting shall be given in the same manner hereinbefore authorised to (a) every member of the Company (including bearers of share-warrants) except those members who (having no registered address within India) have not supplied to the Company an address within India for the giving of notices to them and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency would be entitled to receive the notice of the meeting and to (c) the auditor or auditors for the time being of the Company.

Notice of General Meeting.

198. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these presents or by the Act shall be sufficiently given, if given by advertisement.

When notice may be given by advertisement.

199. Any notice required to be or which may be given by advertisement shall be advertised once in one or more daily newspapers circulating in the neighbourhood of the registered Office.

How to be advertised.

200. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

When notice by advertisement deemed to be served.

201. Where a given number of days' notice or notice extending over any other period is required to be given, in computing such number of days or other period, the day on which service is made or deemed to have been made, whichever is earlier, shall be excluded, but the day for which notice is given shall be included.

Days of service.

Transferees etc. bound by prior notice.

202. Every person, who by operation of law, transfer or other means whatever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the Register shall be duly given to the person from whom he derives his title to such share.

Notice valid though member is deceased

203. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall, notwithstanding such member be then deceased and whether or not the Company have notice of his death, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his heirs, executors, or administrators, and all persons, if any, jointly interested with him in any such share.

How notice to be signed.

204. The signature to any notice to be given by the Company may be written, printed, typed, lithographed or rubber-stamped.

(2) RECONSTRUCTION.

Reconstruction.

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

(3) WINDING-UP.

Distribution of assets.

206. Upon the winding up of the Company, the holders of Preference shares, if any, shall be entitled to be paid all arrears of Preferential dividend to the commencement of winding up and also to be repaid the amount of capital paid up or credited as paid up on such Preference shares held by them

respectively, in priority to the Equity shares, but shall not be entitled to any *other further rights to participate in profits or assets; subject as aforesaid and* to the rights of any other holders of shares entitled to receive preferential payment over the Equity shares, in the event of the winding up of the Company, the holders of the Equity shares shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares and all surplus assets the ~~after~~ shall belong to the holders of the Equity shares in proportion to the ~~amount~~ paid up or credited as paid up on such Equity shares respectively, at the commencement of the winding up. If the assets shall be insufficient to repay the whole of the paid up Equity Capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members holding Equity shares in proportion to the capital paid up or which ought to have been paid up on the Equity shares held by them respectively at the commencement of the winding up, other than the amounts paid by them in advance of calls.

207. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide among the contributories in specie or in kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, or any of them, as the Liquidators, with the like sanction shall think fit.

Distribution of assets in specie.

(4). INDEMNITY

208. Subject to the provisions of Section 201 of the Act, every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified against, and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses (including travelling expenses) which any such Director, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him or them as such Director, Manager, Secretary, Officer or employee in defending any proceedings whether civil or criminal, in which judgement is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the member over all other claims.

Indemnity.

209. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense

Individual responsibility of Directors

happening to the Company through the insufficiency or deficiency of title to any property required by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error or judgement, omission, default or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

(5) **SECRECY**

No member to enter the premises of the Company without permission.

210. Subject to the provisions of these Articles and the Act, no member or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Company to communicate.

Copy of the Special Resolution passed at the Annual General Meeting of the Company held on the 31st August, 1962.

“RESOLVED that the Regulations contained in the document submitted to the meeting and for the purpose of identification subscribed by the Chairman of the Board, be and the same are hereby approved and adopted as the Articles of Association of the Company is substitution for and to the exclusion of the existing Articles of Association thereof.”

THE COMPANIES ACT, 1956.

COMPANY LIMITED BY SHARES

Memorandum
and
Articles of Association
of
Birla Corporation Limited
