



National Peroxide Limited

MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION

New revised set of Articles brought
into force with effect from 1980.

Registered the 16th day of March 1954.

MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
NATIONAL PEROXIDE LIMITED

Registered the 16th day of March 1954.



Certificate Of Incorporation.

No. 9254 of 19 53-19 54

I hereby certify that NATIONAL PEROXIDE LIMITED

is, this day incorporated under the Indian Companies Act, VII of 1913, and that the Company is Limited

Given under my hand at Bombay

this Sixteenth day of March

One thousand nine hundred and Fifty-four.

(M.V. Varerkar)

Registrar of Companies Bombay.



P.P. 751 P.J. (F.P.)-26.11.51-12494/O.P./226/Civil-6.6.51.-10,000-19.1.52.

NATIONAL PEROXIDE LIMITED

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

TABLE OF CONTENTS

MEMORANDUM OF ASSOCIATION

	Page
I. Name of the Company	1
II. Registered Office	1
III. Objects of the Company	1
IV. Limited Liability	4
V. Capital	4

ARTICLES OF ASSOCIATION

Article	Page
PRELIMINARY	
1 Table 'A' not to apply	1
2 Interpretation	1

SHARE CAPITAL, VARIATION OF RIGHTS, AND INCREASE AND ALTERATIONS OF CAPITAL

3 Capital	2
4(1) Increase of its authorised Capital by the Company	2
4(2) Notice to the Registrar	2
4(3) How far new shares to rank with shares in original capital	2
4(4) New shares to be Equity Shares, unless otherwise provided	2

Article	Page	
5	Company to comply with the Capital Issues Control Act, 1947	2
6(1)	Offer of new shares :	3
	(i) in ordinary cases	3
6(2)	(ii) on conversion of debentures and loans	3
7	Share Capital to stand increased in certain cases	3
8(1)	Power to issue shares of different classes	3
8(2)	Issue of shares at a premium :	4
	"Share Premium Account"	4
8(3)	Issue of shares at a discount, when permitted	4
9	Issue of Redeemable Preference Shares	4
10(1)	Redemption of Preference Shares	4
10(5)	Capital Redemption Reserve Account	4
11(1)	Modification of rights of classes of shareholders	4
11(3)	Rights not varied by issue of shares <i>pari passu</i>	5
12	Consolidation, sub-division, and cancellation of shares	5
13	Reduction of Capital	5
 ALLOTMENT OF SHARES 		
14(1)	Allotment of shares to be under the control of the Board	6
14(2)	Restriction on allotment unless the minimum amount is paid on application	6
14(3)	Restriction on allotment where share capital is offered to the public for subscription	6
15	Board may allot shares as fully paid-up, for consideration other than cash	6
16	Allotment of shares to foreigners and non-residents	6
17	Return as to allotments	6
 ENTITLEMENT TO FRACTIONS OF A SHARE 		
18	Alternative power of Board relating to fractions of shares	6
 SHARE CERTIFICATES AND REGISTER OF MEMBERS 		
19	Right to issue of Share Certificates	7
20(1)	Certificates	7
20(3)	Share Certificate to be <i>prima facie</i> evidence of title	7
20(4)	Splitting and consolidation of share certificates	7
21	Share Certificates of joint-holders	7
22	Limitation of time for issue of certificates	7
23	If shares listed on Stock Exchange	8

Article		Page
24(1)	Loss, etc., of Share Certificates	8
24(2)	Fees for issuing new certificate	8
24(3)	Fee payable on splitting or consolidation of share certificates ..	8
25(1)	Registers of Members and Debenture-holders	8
25(2)	Register of Renewed and Duplicate Certificates of Shares	8
25(3)	Indexes of Members and Debenture-holders	8
25(4)	Authentication of entries in Register of Members, etc.	8
26	Foreign Register	8

UNDERWRITING COMMISSION AND BROKERAGE

27	Commission for underwriting or placing shares and debentures ..	9
28	Brokerage	9

TRUSTS AND EQUITABLE INTEREST

29(1)	Company not bound to recognise any interest in share other than that of registered holder	9
29(2)	Exceptions:	9
	(i) under Section 187-C of the Act	9
29(3)	(ii) in case of Transmission of Shares	9

PURCHASE OF OWN SHARES, AND LOANS THEREFOR

30	Purchase by Company of its own shares	9
31	Loans by Company for purchase of its shares	10

LIEN

32	Company's lien on shares	10
33	Enforcing lien by sale	10
34(1)	Effect of sale	10
34(2)	Protection of purchaser	10
35	Application of proceeds of sale	10

CALLS ON SHARES

36	Calls and intervals between calls	11
37	Time when call deemed made	11
38	Liability of joint-holders	11
39	Interest on unpaid call	11
40	Sums payable at fixed time to be treated as calls	11

Article	Page
41	Calls on shares of same class to be made on uniform basis 11
42 (1)	Payment of calls in advance 11
42 (2)	Interest on advance payment 12

TRANSFER OF SHARES

43	Register of Transfers—Applications received by the Company 12
44	Form and manner of Transfer 12
45	When transfer instrument not acceptable by the Company 12
46	Board's right to decline to register a transfer 13
47(1)	Board's right to postpone consideration of application for transfer : 13
	(i) if believed to be violative of Sections 108-A or 108-B of the Act 13
47(2)	(ii) if believed to be violative of certain Sections of the F.E.R. Act, 1973. 13
48	Transfer to minor, lunatic, etc. 13
49	Notice of refusal to transfer 13
50	Transfer of partly paid shares 14
51	Transfer by legal representative 14
52	Custody of the instrument of transfer 14
53	Closure of transfer books 14
54 (1)	Effect of registration 14
54 (2)	Retransfer in certain cases 14
55	Company not liable for disregard of notice prohibiting registration of transfer 14

TRANSMISSION OF SHARES

56	Transmission on death of one of joint-holders of shares 15
57	Transmission on death of sole holder 15
58	Compliance with Estate Duty Act, 1953, and the Rules made thereunder 15
59	Election by person entitled on death, etc., of member 15
60	Board's right to decline to register a transmission 15
61	Notice of refusal to register a transmission 15
62	Modes of exercising election 16
63	Provisions as to transfers to apply also to transmissions 16
64 (1)	Rights of person entitled by transmission 16
64 (2)	Board may require person entitled by transmission to elect 16
65	Provisions relating to transfers, to apply also to transmissions, wherever applicable 16

Article		Page
FEES		
66	Board's discretion to charge or not to charge fees	16
67	Fee, if payable, on transfer or transmission	16
68(1)	Fee, if payable, on registration of instrument	17
68(2)	Copying charges	17
69	Fee payable on issue of new Share Certificate	17
70	Reduction of fees, etc., payable to the Company under the Act ..	17
TRANSFER AND TRANSMISSION OF DEBENTURES		
71	Articles relating to shares to apply to Debentures	17
FORFEITURE OF SHARES		
72	Notice to pay calls overdue	17
73	Contents of notice	17
74	Forfeiture for non-payment	17
75	Notice of forfeiture	18
76(1)	Sale of forfeited share	18
76(2)	Cancellation of forfeiture	18
77	Shareholder's position after forfeiture	18
78(1)	Evidence of forfeiture	18
78(2)	Transfer of forfeited share	18
78(3)	Cancellation of share certificates in respect of forfeited shares and issue of a duplicate	18
78(4)	Title of purchaser of forfeited share	18
79	Articles regarding forfeiture to apply to certain other cases ..	18
80	Company not to accept surrender of its shares	19
GENERAL MEETINGS		
81	Annual General Meeting	19
82	Extraordinary General Meetings	19
83	Calling of extraordinary general meetings by the Board	19
84	Calling of extraordinary general meetings on requisition	19
85	Notice of meeting	19
86	Contents of notice	19
87	Explanatory Statement	20
88	Persons entitled to notice, and manner of service of notice ..	20
89	Accidental omission to give notice not to invalidate proceedings of meeting	20
90	Resolutions requiring special notice	20
91	Circulation of members' resolutions	20

Article	Page
DIRECTORS, THEIR APPOINTMENT, ROTATION, REMUNERATION, AND VACATING OF OFFICE.	
127	Number of Directors 25
128	Increase or reduction in the number of Directors in office for the time being 25
129	Directors appointed after nomination by Laporte Chemicals Ltd. . 26
130(1)	Directors nominated by Debenture Trustees and by Financial Institution 26
	(i) "Debenture Director" 26
130(2)	(ii) "Nominee Director" 26
130(3)	Power to substitute Debenture and Nominee Directors .. . 26
130(4)	"Financial Institution" defined 26
131	Appointment of Directors by the Company 27
132	Directors retiring by rotation 27
133	Provisions regarding retirement by rotation 27
134	Company to fill up vacancy caused by retirement .. . 27
135	Notice of candidature for office of Director—Consent of candidate 27
136	Alternate Director 28
137	Additional Directors 28
138	Filling up of casual vacancies 28
139	Separate resolution for appointment of each Director .. . 28
140	Share qualification not required 28
141(1)	Remuneration to Directors: 28
	(i) Sitting Fees 28
141(2)	(ii) Remuneration to Managing Director 29
141(3)	(iii) Remuneration to other Directors 29
141(4)	(iv) When commission to accrue 29
142	Waiver of commission and of fees 29
143	Reimbursement of travelling and other expenses incurred by Director for Company's business 29
144	Payment of pensions, etc., to Directors 29
145	Compensation for loss of office 30
146	Vacation of office of Director 30
147(1)	Removal of Director 30
147(4)	Filling up of the vacancy caused by removal 30
148	Appointment as Director, when to become void 30
149	Resignation 30
150	Directors may act notwithstanding any vacancy 30
151(1)	Validity of acts of Directors 30
151(2)	Assignment of office by Director, void 30

Article		Page
BOARD'S POWERS AND RESTRICTIONS THEREON		
152	General Powers of the Board	31
153	General restrictions on powers of the Board	31
154	Certain powers to be exercised by Board only at meeting	31
155	Certain acts or things to be done by the Board only at a meeting ..	32
156	Delegation of powers to a Committee, or to Managing Director, etc.	32
157	Powers of Attorney	33
158	Ratification of irregularities	33
159	Power to contribute to charitable and other funds	33
160(1)	Restrictions on power to appoint sole selling agents and sole buying agents	33
160(5)	Prohibition or limitation of payment to sole selling agent for loss of office	34
161(1)	Restrictions on giving of loans, guarantee or security to a Director, etc.	34
161(4)	Exception in respect of loans, etc., to subsidiary	34
SPECIAL PROVISIONS AS REGARDS BORROWING POWERS		
162	Power to borrow	34
163	Compliance with certain Rules and Directives	34
164	Securing repayment of moneys borrowed	34
165	Terms of issue of Debentures	35
166	Authority to make calls, where uncalled capital is mortgaged ..	35
167	Execution of Securities	35
168	Transfer of Securities	35
169	Interposition of Trustees	35
170	Debentures payable to bearer	35
171	Issue of debentures at a discount	36
172	Security to be given to indemnify Directors	36
REGISTRATION OF CHARGES		
173	"Charge" to include mortgage	36
174	Registration of charges	36
175	Registrar's certificate to be endorsed	36
176(1)	Copies of charges to be kept at registered office	36
176(2)	The Company's Register of Charges	36
176(3)	Inspection	36
177	Satisfaction of the charge	36
CERTAIN DUTIES AND RIGHTS OF DIRECTORS		
178	Disclosure of Director's interest in a contract or arrangement ..	37
179	General notice of interest may be given, and renewed annually ..	37
180	Disclosure by Director of his shareholdings, etc.	37

Article	Page
181(1) Disclosure by Director of certain particulars concerning himself ..	37
181(3) Extension of the duty to Manager and Secretary	37
182 When may a Director contract with the Company	37
183 Director may act in professional capacity	38
184 Director may be Director of any other body corporate	38
185 Interested Director not to participate or vote in Board's proceedings	38
PROCEEDINGS OF THE BOARD	
186 Meetings of the Board	38
187 When meeting to be convened	39
188 Notice of meetings	39
189 Quorum	39
190 When number reduced below quorum	39
191 Adjournment of meeting for want of quorum	39
192 Chairman and Vice-Chairman of the Board	39
193 Decisions on questions arising at a meeting of the Board ..	39
194 Defects in appointment, not to affect acts of Board	40
195 Passing of resolutions by circulation	40
PROCEEDINGS OF A COMMITTEE OF THE BOARD	
196 Assimilation of Board's proceedings to proceedings of a Committee	40
MINUTES, AND FILING OF RETURNS AND DOCUMENTS, AFTER THE CONCLUSION OF GENERAL, BOARD AND COMMITTEE MEETINGS	
197(1) Minutes, and Minute-Books	40
197(2) Evidentiary value of minutes	41
197(3) Members entitled to :	41
(i) inspection of Minute-Books of general meetings	41
(ii) and to copies of extracts therefrom	41
198 Filing of Annual Return; and Certificate	41
199(1) Filing of Balance-Sheet and Profit and Loss Account :	41
(i) where A.G.M. held	41
199(2) (ii) where A.G.M. not held	41
199(3) (iii) where Balance-Sheet not adopted	41
200(1) Filing of certain Resolutions and Agreements	42
200(3) Copies to be annexed to the Articles	42
MANAGEMENT	
201 Prohibition of simultaneous appointment of different categories of managerial personnel	42

Article	Page
202 Power to appoint Managing or Whole-time Director	42
203(1) Person not to be appointed Managing Director if he is managing director or manager of another company	42
203(2) Exceptions	43
204 Appointment not to be made for more than five years at a time ..	43
205(1) When holding of office ceases, in case of :	43
(i) Managing Director	43
205(2) (ii) Whole-time Director	43
206 Remuneration of Managing and Whole-time Director	43
207(1) Powers of :	43
(i) Managing Director	43
207(2) (ii) Whole-time Director	43
208 Appointment, remuneration, and removal of Manager of the Company	44
209 Whole-time Secretary	44
210 Management in specified localities	44
211 Local Manager	44
212 Local Board or agency	44
213 Remuneration of Local Manager, and of local board, committee or agency	45
214 Maintenance of Registers	45
215 Indexes of Members and Debenture-holders	46
216 Place of keeping the Registers and Indexes	46
217 Place of keeping copies of Annual Returns, etc.	46
218(1) Inspection of :	46
(i) Register of Members, etc.	46
218(2) (ii) Other Registers	46
219(1) Making Extracts or obtaining copies of :	46
(i) Register of Members, etc.	46
219(2) (ii) Other Registers	47
220 Evidentiary value of entries in the Register of Members, etc. ..	47
221 Rectification of Register of Members and Debenture-holders ..	47
222(1) Preservation and disposal of Register of Members, etc.	47
222(3) Preservation and disposal of books and documents relating to share certificates	47
222(4) Preservation of Books of Account, etc., and of Transfer Deeds ..	47
223 The Seal, its custody and use	48
224 Official Seal for use outside India	48
225 Seal not required for authentication of documents and proceedings	48

Article	Page
226(1) Restrictions on the appointment	48
(i) of firm or body corporate to an office of profit under the Company	48
226(2) (ii) of the erstwhile Managing Agents or their associates as consultant or adviser	48
226(3) (iii) of individual, firm or body corporate as sole selling or buying agent	48
227(1) Abstract and Memorandum disclosing Director's interest in appointment of Managing Director or Manager	49
227(4) Right of Members to take inspection and copies	49
228(1) Right of Members to obtain copies of Memorandum and Articles, etc.	49
228(2) Copies to be maintained up to date	49
ACCOUNTS, DEPOSITS, RESERVES AND AUDIT	
229 Of what matters Books of Account shall be kept	49
230 Place of keeping of books of account	50
231 Inspection of books of account	50
232 Period for which the books of account and relevant vouchers shall be preserved	50
233 Balance-Sheet and Profit and Loss Account	50
234 Auditor's Report	51
235(1) Report of Special Auditor	51
235(2) Report of audit of cost accounts	51
236 Branch Audit	51
237 The Board's Report—what it should contain	51
238 Signing of the Board's Report	52
239 Right of Members to receive copies of Statement of Accounts, Auditor's Report, Board's Report, etc.	52
240(1) Invitation for Deposits from Members and from the public	52
240(2) Acceptance and repayment of the Deposits	52
241(1) Reserves	52
241(2) Provision for depreciation	53
241(3) Division of General Reserves into Special Funds	53
242 Funds may be employed in Company's business	53
243 Investment of the Funds	53
244 Carry forward of profits	53
245 Appointment of Auditor	53
246 Qualifications and disqualifications of Auditor	53
247 Appointment of Auditor by Central Government	53
248 Filling in casual vacancy in office of Auditor	53
249 Appointment of Auditor, when to be made by special resolution	53
250 Re-appointment of retiring Auditor	54

Article	Page
251 Special notice required for appointing person other than retiring Auditor	54
252 Removal of Auditor	54
253 Remuneration of Auditor	54
254 Powers and duties of Auditors	54
255 Signing, and placing of Auditor's Report at general meeting ..	54
256 Right of Auditor to attend general meeting	55
257 Company's Auditor not to be appointed cost-Auditor	55
DIVIDEND AND INTEREST	
258 Declaration of Dividend	55
259 Interim Dividend	55
260(1) Dividend to be paid only out of profits	55
260(2) Exceptions	55
260(3) Declaration by the Board as to divisible profits, to be conclusive ..	55
261 No Dividend to be paid except after transfer of a percentage of profits to reserves	55
262 Dividend to be paid only in cash	55
263 Dividend to be in proportion to amount paid up	56
264 Restriction on dividends	56
265 No interest on dividends	56
266(1) Dividend to be paid only to registered shareholders	56
266(2) Dividend on shares in process of transfer	56
267 Receipt from joint-holders	56
268 Time within which declared dividend to be paid	56
269 Unpaid dividend to be transferred to special Dividend Account ..	56
270 Declaration of Dividend out of Reserves	57
271 Retention of dividend	57
272 No Member entitled to dividend or interest while indebted to the Company	57
273 Interest payable on amounts paid in advance of calls	57
274 Interest payable out of capital in certain cases	57
CAPITALISATION OF PROFITS	
275 Resolution to capitalise	58
276 Modes of capitalisation	58
277 Bonus shares	58
278 Board to give effect to Company's resolution regarding capitalisation	58
279(1) Capitalisation	58
279(2) Issue of fractional certificates or payment of cash	58

Article		Page
DOCUMENTS AND NOTICES		
280	Service of documents or notices on Members	59
281	When deemed to be served or effected	59
282	Advertisement in newspaper	59
283	Service on joint-holders	59
284	Service on representatives of deceased or insolvent Members ..	59
285	Persons entitled to receive notice of general meetings and to documents relating to such meetings	59
286	Debenture-holders entitled to receive copies of Accounts, etc. ..	60
287	Notice to be given to Members of a Special Notice received by the Company	60
288	Persons bound by documents or notices served on or given to previous holders	60
289	Signature to Notice how given	60
290	Service of documents and notices relating to meetings of a class of members or of debenture-holders	60
291	Service of documents or notices on or to the Company	60
SECRECY CLAUSES		
292	Secrecy Clause	60
293	Member not entitled to inspection of Company's works, or to require information as to matters which ought not to be disclosed	61
WINDING UP		
294	Liquidator may, on winding-up, divide assets <i>in specie</i>	61
295	Liquidator may evaluate assets, and determine how the same may be divided	61
296	Liquidator may have interposition of Trustees	61
INDEMNITY AND RESPONSIBILITY		
297	Right of Director, Officer, etc., to be indemnified for expenses incurred in performance of duties	61
298	Right of Director, Officer, etc., for liability incurred in defending proceedings ending in his favour	61
299	Non-responsibility for acts of others	61
SAVINGS		
300	Savings as to acts performed by erstwhile Managing Agents ..	62
SIGNATURES AND ATTESTATIONS		63

THE INDIAN COMPANIES ACT, 1913

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION
OF
NATIONAL PEROXIDE LIMITED

- I. The name of the Company is "NATIONAL PEROXIDE LIMITED". Name of the Company
- II. The Registered Office of the Company will be situate in the State of Maharashtra. Registered Office
- III. The objects for which the Company is established (and it is expressly declared that the several sub-clauses of this clause and all the powers thereof are to be cumulative and in no case is the generality of any one sub-clause to be narrowed or restricted by any particularity of any other sub-clause nor is any general expression in any sub-clause to be narrowed or restricted by any particularity of expression in the same sub-clause or by the application of any rule of construction *ejusdem generis* or otherwise) are :— Objects of the Company
- (i) To carry on business as manufacturers, producers, importers, exporters, merchants, distributors, commission agents, brokers, and wholesale and retail dealers of and in peroxide of hydrogen, other heavy chemicals, and fine chemicals and of and in all kinds of chemicals detergents, pigments and medicinal, pharmaceutical, veterinary, serobacteriological, dental, cosmetic and perfumery products, of soap, medicinal foods, diagnostic preparations, bacteriological stains, artificial manures and other products designed to protect and encourage the germination of seeds and the growth of plants of every description, of insecticides of every kind and generally of chemicals and chemical products of all kinds and allied and auxiliary products and intermediates thereof.
 - (ii) To carry on the business of improving, treating, preserving, fining, refining and reducing the products and articles mentioned in sub-clause (i) hereof or any of them.
 - (iii) To carry on business as importers, exporters, merchants, distributors, commission agents, brokers, wholesale and retail dealers, manufacturers and producers of and in vessels, syphons, filters, bottles, cases, tins and receptacles of all kinds for the sale and storage of the products and articles mentioned in sub-clauses (i) and (ii) hereof or any of them.
 - (iv) To carry on the business of general printers and lithographers.
 - (v) To carry on business as experts and scientific advisers to other persons, firms and companies and to investigate and examine into the condition, prospects, value and character of any business concerns and undertakings.

- (vi) To acquire, construct and maintain factories, establishments, works, buildings and erections for all or any purposes aforesaid and to acquire or make machinery, implements, and articles required to be used for any such purposes, and to carry on as principals or agents any branch of agricultural, manufacturing or mercantile business necessary or convenient for carrying on the abovementioned business or any other business that can be conveniently carried on in conjunction therewith.
- (vii) To add to, alter or enlarge, from time to time all or any of the buildings, premises and machinery, wheresoever situate for the time being the property of the Company, and also to expend from time to time such sums of money as may be necessary or expedient for the purpose of improving, adding to, altering, repairing and maintaining the buildings, machinery and property of the Company.
- (viii) To carry on business as carriers by land, air and water and so far as may be expedient the business of general merchants and other businesses, which may seem to the Company capable of being conveniently carried on in connection with any of the above or calculated, directly or indirectly, to render profitable or enhance the value of the Company's property or rights for the time being, to acquire and take over as a going concern any existing business or concern carrying on any business, which the Company is authorised to carry on for such consideration, whether in cash or shares or securities of the Company as may be thought expedient.
- (ix) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any of the above, or calculated, directly or indirectly, to enhance the value of or render profitable any of the Company's property or rights.
- (x) To acquire by purchase, lease, exchange, or otherwise, lands, buildings and hereditaments of any tenure or description, and any estate or interest therein, and any right over or connected with land, and either to retain the same for the purposes of the Company's business or to turn the same to account as may seem expedient.
- (xi) To lend money, either with or without security and generally to guarantee the contracts and obligations of any persons or companies upon such terms and conditions as the Company may think fit.
- (xii) To apply for, purchase, or otherwise acquire by original application or otherwise any trade marks, patents, brevets d'invention, licences, concessions, and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret, or other information as to any invention, which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, to use, exercise, develop, or grant licences in respect of or otherwise turn to account the property, rights, or information acquired and to use any secret or other information as to any of the objects of the Company.
- (xiii) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards, and donations.

- (xiv) To establish support, and to contribute to or aid in the establishment and support of, provident funds, associations, institutions, funds, trusts, and conveniences calculated to benefit employees or ex-employees of the Company, or the dependants or connections of such persons, and to grant pensions and allowances, and to make payments towards insurance.
- (xv) To subscribe to, become a member of and co-operate with any association, whether incorporated or not, or to apply the money of the Company in any way or in or towards the establishment, maintenance, or extension of any association, institution or fund, whose objects are altogether or in part, similar to those of this Company or are in anywise connected with any particular trade or business, including any association, institution, or fund for protection of the interests of masters, owners, or employers and for insurance against loss by bad debts, strikes, workmen's combinations, fire, accident, or otherwise.
- (xvi) To acquire and undertake all or any part of the business, property, and liabilities of any person or company, carrying on any business, which this Company is authorised to carry on, or possessed of property suitable for the purposes of the Company.
- (xvii) To enter into any arrangements with any Government or authority, supreme, municipal, local, or otherwise, that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority, all rights, concessions and privileges, which the Company may think it desirable to obtain, and to carry out, exercise, and comply with any such arrangements, rights, privileges, and concessions.
- (xviii) To enter into partnership, or into any arrangement for sharing profits or losses, or into any union of interests, joint adventure, reciprocal concession or co-operation with any person or persons, or company or companies, carrying on, or engaged in, or about to carry on or engage in, any business or transaction which this Company is authorised to carry on, or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.
- (xix) Generally to purchase, take on lease or in exchange, hire or otherwise acquire any immovable or moveable property, and any rights or privileges which the Company may think necessary or convenient with reference to any of these objects and capable of being profitably dealt with in connection with any of the Company's property or rights for the time being.
- (xx) To sell or dispose of 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.
- (xxi) To promote any company or companies for the purpose of acquiring all or any of the property rights, and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- (xxii) To invest and deal with the moneys of the Company, not immediately required, upon such securities and in such manner as may, from time to time, be determined.

- (xxiii) 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 and to purchase, redeem and pay off any such securities.
- (xxiv) To invest any of the funds and monies of the Company from time to time in securities, or in shares or securities of a public or private company or in fixed deposits or by way of loans on interest to any public company or bank and from time to time to sell or vary any or all such investments and to execute all receipts and documents that may be necessary in that behalf.
- (xxv) To subscribe or guarantee money for any national, international, charitable, benevolent, educational, scientific, public, general or other useful object, activity, exhibition or trade show or for any purpose whatsoever, which may be or may appear to be conducive directly or indirectly to the furtherance of the objects of the Company or the interest of its members.
- (xxvi) To undertake and execute any trusts, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.
- (xxvii) To draw, make, accept, endorse, discount, execute, sell and issue bills of exchange, promissory notes, cheques, bills of lading, shipping documents, dock and warehouse warrants, debentures and other negotiable or transferable instruments or securities.
- (xxviii) To remunerate any persons or company for services rendered, or to be rendered in placing or assisting to place or guaranteeing the placing of any 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 acquisition of property by the Company, or the conduct of its business.
- (xxix) To do all or any of the above things, either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.
- (xxx) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Company.
- (xxxi) To distribute all or any of the property of the Company amongst the

Clause V of the Memorandum of Association as substituted by a Special Resolution passed by Postal Ballot on April 17, 2006

V. The Authorized Share Capital of the Company is Rs.25,00,00,000 (Rupees Twenty Five Crore) divided into 2,50,00,000 (Two Crore Fifty Lac) Shares of the face value of Rs.10/- (Rupees Ten) each with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.

respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company, and to vary, modify or abrogate any of such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

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

Names, Addresses and Descriptions of Subscribers.	Number of shares taken by each Subscriber.	Names, Addresses and Descriptions of Witnesses.
The Bombay Dyeing & Mfg. Co. Ltd., (Sd.) Jamsetjee Jejeebhoy, Director, Neville House, Ballard Estate, Bombay.	15,000	(Sd.) Baman K. Kharadi, Assistant, 613, Parsi Colony, Dadar, Bombay 14.
Nowrosjee Wadia & Sons Ltd., (Sd.) Neville N. Wadia, Neville House, Ballard Estate, Bombay I.	3,001	(Sd.) Nariman J. Ruwala, Secretary, Messrs Nowrosjee Wadia & Sons Ltd., Bombay.
(Sd.) Neville N. Wadia, Industrialist, 72, Pedder Road, Bombay.	500	(Sd.) S. K. Chari, Secretary, The Bombay Dyeing & Mfg. Co. Ltd., Neville House, Ballard Estate, Bombay.
(Sd.) H. S. Batliwalla, Company Director, Ferohin, 31 Worli Hill, Near Worli, Bombay.	10 (Ten)	(Sd.) Naval Dinsha Bharucha, Stores Purchaser—The Bombay Dyeing & Mfg. Co. Ltd., Neville House, Ballard Estate, Bombay.
Kasturbhai Lalbhai, Mill Agent & Banker, by his constituted attorney. (Sd.) Surottam P. Hutheesing, Pankore's Naka, Ahmedabad.	50 (Fifty)	(Sd.) Narottam P. Hutheesing, Mill Agent, Shahibag, Ahmedabad.
(Sd.) Goutam Sarabhai, Industrialist, C/o. The Calico Mills, Ahmedabad.	10 (Ten)	(Sd.) Gira Sarahai, Business Executive, C/o. The Calico Mills, Ahmedabad.
(Sd.) C. N. Caroe, Solicitor, Standard Building, Bombay.	10 (Ten)	(Sd.) W. F. Saldanha, Managing Clerk to Messrs. Mulla & Mulla and Craigie Blunt & Caroe, Solicitors, Bombay.
(Sd.) T. P. Barat, Company Executive, C/o. Messrs. Nowrosjee Wadia & Sons Ltd., Bombay.	60 (Sixty)	(Sd.) W. F. Saldanha, Managing Clerk to Messrs. Mulla & Mulla and Craigie Blunt & Caroe, Solicitors, Bombay.

Dated this 16th day of March, 1954.

THE INDIAN COMPANIES ACT, 1913.

COMPANY LIMITED BY SHARES,

ARTICLES OF ASSOCIATION

Article 2(1) to include the following definitions, at the appropriate places, according to a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

"Abridged Prospectus" means a memorandum containing such salient features of a prospectus as may be prescribed." "Abridged Prospectus"

"Derivative" has the same meaning as in clause (aa) of Section 2 of the Securities Contracts (Regulation) Act, 1956." "Derivative"

"Hybrid" means any security which has the character of more than one type of security, including their derivatives." "Hybrid"

"Information Memorandum" means a process undertaken prior to the filing of a prospectus by which a demand for the securities proposed to be issued by the Company is elicited, and the price and the terms of issue for such securities is assessed, by means of a notice, circular, advertisement or document." "Information Memorandum"

"Listed Public Companies" means a Public Company which has any of its securities listed in any recognized Stock Exchange." "Listed Public Companies"

"Officer" includes any Director, Manager, or Secretary or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act." "Officer"

"Option in Securities" has the same meaning as in clause (d) of section 2 of the Securities Contracts (Regulation) Act, 1956." "Option in Securities"

"Postal Ballot" has the same meaning as defined under section 192A of the Act." "Postal Ballot"

"Securities" means securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 and includes hybrids." "Securities"

In Article 2(1), the definition of "dividend", as altered by a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

"Dividend" includes Interim Dividend and Bonus." "Dividend"

"Year" means calendar year.

"In writing" means written, printed or lithographed or in any other mode of representing or reproducing words in visible form.

The words "splitting of a share certificate", or words of a similar import, include the splitting of letter of allotment, renounceable letters of right, pucca transfer receipts, and the like instruments.

Words importing the singular number include the plural number and vice versa.

Words importing the masculine gender include the feminine gender.

Words importing persons include corporations.

(2) Subject as aforesaid, words and expressions used in these Articles, which have been defined in the Act, shall have the same meaning as in the Act, unless the subject or context otherwise requires.

(3) The marginal headings of the Articles, and the Chapter Headings of a group of Articles, are inserted for convenience and shall not affect the construction of these Articles.

SHARE CAPITAL, VARIATION OF RIGHTS AND

Article 3 as substituted by a Special Resolution passed by Postal Ballot on April 17, 2006

3. The Authorized Share Capital of the Company is Rs.25,00,00,000/- (Rupees Twenty Five Crore) divided into 2,50,00,000 (Two Crore Fifty Lac) Shares of the face value of Rs.10/- (Rupees Ten) each with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.

the new shares have not been issued.

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

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

New shares to be Equity Shares, unless otherwise provided.

(4) Unless otherwise provided, the new shares shall be equity shares.

Company to comply with the Capital Issues Control Act, 1947.

5. (1) Whenever the Company makes any issue of capital, it shall comply in all respects with the provisions of the Capital Issues Control Act, 1947, and the Rules made thereunder, except where any issue of Capital is covered by the Capital Issues (Exemption) Order, 1969, or any modification thereof for the time being in force, and then only to the extent to which the exemption is permitted.

(2) The consent of the Central Government shall be obtained to the issue of capital, except where exempted as aforesaid.

(3) "Issue of Capital" means the issuing or creation of any securities whether for cash or otherwise, or as bonus shares, and includes the capitalisation of profits or reserves for the purpose of converting partly paid-up shares into fully paid-up shares or increasing the par value of the shares already issued.

(4) "Securities" means any of the following instruments issued or to be issued, or created or to be created, by or for the benefit of the Company, namely—

(i) shares, stocks and bonds ;

(ii) debentures ;

(iii) mortgage deeds, instruments of pawn, pledge or hypothecation and any other instruments creating or evidencing a charge or lien on the assets of the Company ; and

(iv) instruments acknowledging loan to or indebtedness of the Company and guaranteed by a third party or entered into jointly with a third party.

6. (1) Any new shares issued pursuant to a Resolution to increase the share capital of the Company, shall (subject to any directions to the contrary which may be given by the Company in general meeting by a special resolution, and subject only to those directions), be offered to the persons and in the manner mentioned in Section 81 of the Act.

Offer of new shares.
(i) In ordinary cases.

(2) Notwithstanding anything contained in clause (1) of this Article, further shares, whether out of unissued share capital or out of increased share capital, shall be issued where, pursuant to the terms of issue of any debentures or the terms of any loans raised by the Company, an option has been given to the debenture-holder or the lender to convert such debentures or loans into shares in the Company, or to subscribe for shares in the Company, and the debenture-holder or lender so exercises that option: Provided that, in respect of the terms of issue of such debentures or of such loans, the conditions laid down in the Proviso to sub-section (3) of Section 81 of the Act have been complied with.

(ii) on conversion of debentures and loans.

(3) Such further shares shall also be issued if the Central Government, by order under sub-section (4) of Section 81 of the Act, directs that any debentures issued to Government by the Company, or any loans obtained from Government by the Company, or any part thereof, shall be converted into shares in the Company on such terms and conditions as appear to that Government to be reasonable in the circumstances of the case, even if the terms of issue of such debentures or the terms of such loans do not include a term providing for an option for such conversion.

7. (1) Where debentures issued to or loans obtained from the Central Government, or issued to or obtained from any other party being a Public Financial Institution (as defined in Section 4A of the Act) have, by virtue of an order made by the Central Government under sub-section (4) of Section 81, or sub-section (2) of Section 94A of the Act, been converted into shares of the Company, and such conversion has the effect of increasing the authorised share capital of the Company, the Memorandum of Association of the Company shall stand altered and the nominal share capital shall stand increased by an amount equal to the value of the shares into which such debentures or loans or part thereof has been converted.

Share Capital to stand increased in certain cases.

Article 8(1), as altered by a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

8. (1) Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, and subject to the provisions of Section 87 of the Act, any shares in the Company may be issued with such preferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by special resolution determine, but not disproportionate to the rights attaching to the holders of other shares (not being preference shares).

Power to issue shares of different classes

Issue of shares
at a premium:
"Share
Premium Account".

(2) The Company may issue shares at a premium, whether for cash or otherwise. In that case, a sum equal to the aggregate amount or value of the premiums on those shares shall be transferred to an account to be called "The Share Premium Account". This account shall be a new class of capital of the Company which is not share capital; nor shall it be distributable as income. The provisions of the Act and of these Articles relating to the reduction of the share capital of the Company shall apply as if the Share Premium Account were paid-up share capital of the Company. Notwithstanding the above, the said account may be applied by the Company in any one or more of the ways set out in sub-section (2) of Section 78 of the Act.

Issue of shares
at a discount,
when permitted.

(3) The Company shall not issue shares at a discount, except as provided in Section 79 of the Act, (including the passing of a resolution in that behalf by the Company in general meeting, and obtaining the sanction of the Company Law Board).

Issue of
Redeemable
Preference
Shares.

9. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares with the sanction of a special resolution, on the terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.

Redemption of
Preference
Shares.

10. (1) The redemption of the whole or any part of the Preference Shares for the time being issued and outstanding, shall be effected on such terms, out of any moneys which may lawfully be applied for the purpose, and in such manner (including the giving of previous notice in writing to the holders of the Preference Shares, and including the selection by a drawing in the event of a part only of the then outstanding Preference Shares being desired to be redeemed), as may be decided by the Board by a resolution passed at its meeting, on each occasion of redemption.

(2) The redemption shall in all respects be made subject to the provisions of Section 80 of the Act.

(3) The redemption shall not be taken as reducing the amount of the authorised share capital of the Company.

(4) The Board shall have power to issue shares up to the nominal amount of the Preference Shares redeemed or to be redeemed, as if those shares had never been issued.

Capital
Redemption
Reserve
Account.

(5) The Capital Redemption Reserve Account created under Section 80 of the Act, for the purpose of redemption, may be applied in paying up unissued shares of the Company to be issued to Members as fully-paid bonus shares.

(6) Whenever Preference Shares have been redeemed under the provisions of this Article, the Company shall comply with the provisions of Section 95 of the Act as to giving Notice to the Registrar of Companies.

Modification
of rights of
classes of
shareholders.

11. (1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act, and whether or not the Company is being wound up, be varied 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 the issued shares of that class.

(2) To every such separate meeting, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons holding or representing by proxy at least three-fourths of the issued shares of the class in question.

(3) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

Rights not varied by issue of shares *pari passu*.

12. (1) The Company may, from time to time, alter the conditions of its Memorandum as follows, that is to say, it may—

Consolidation, sub-division, and cancellation of shares.

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; or
- (b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association subject nevertheless, to the provisions of Clause (d) of sub-section (1) of Section 94 of the Act; or
- (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.

(2) The powers conferred by this Article shall be exercisable by the Company in general meeting, by special resolution, and shall not require to be confirmed by the Court.

(3) A cancellation of shares in pursuance of this Article, shall not be deemed to be a reduction of share capital within the meaning of the Act.

(4) Notice of the consolidation, division, sub-division, and cancellation (otherwise than in connection with a reduction of share-capital under Sections 100 to 104 of the Act) of the shares shall be given to the Registrar of Companies as required by Section 95 of the Act.

13. (1) The Company may, by special resolution, reduce in any manner and with and subject to any incident authorised, and consent or confirmation required, by law :—

Reduction of Capital.

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

(2) The provisions of Sections 100 to 104 of the Act shall be complied with, and shall apply, in the case of any such reduction of capital.

(3) Notwithstanding anything contained in clauses (1) and (2) of this Article, the redemption of preference shares shall not be taken as reducing the amount of the authorised share capital of the Company; and, further, the capital redemption reserve account and the share premium account may be applied by the Company as provided in Section 80 and Section 78 of the Act, respectively.

ALLOTMENT OF SHARES

Allotment of shares to be under the control of the Board.

14. (1) Subject to the provisions of these Articles relating to new shares, the shares shall be at the disposal of the Board, and it may (subject to the provisions of Section 81 and other provisions of the Act) allot, grant options over, or otherwise dispose of them to such persons, on such terms and conditions, and at such times as it think fit, and either at a premium, or at par, or (subject to compliance with the provisions of Section 79 of the Act) at a discount: Provided that an option for or a right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

Restriction on allotment unless the minimum amount is paid on application.

(2) In the case of shares offered to the public for subscription, the amount payable on application on each share shall not be less than twenty-five per cent of the nominal amount of the share.

Restriction on allotment where share capital is offered to the public for subscription.

(3) No allotment shall be made of any share capital offered to the public for subscription, unless, where so required by the Act, a prospectus prepared in compliance with the requirements of Section 56 of the Act has been issued along with the form of application for shares.

Board may allot shares as fully paid-up, for consideration other than cash.

15. Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company in consideration of any property (including 'know-how' property) sold, transferred or assigned, or of any goods or machinery supplied, or of any services rendered or to be rendered, to the Company, or of any forbearance (including agreement not to compete with the Company in the Indian market) extended in favour of the Company, either in or about the formation or promotion of the Company, or the conduct of its business; and any shares which may be so allotted may be issued as fully paid-up shares, and, if so issued, shall be deemed to be fully paid-up shares.

Allotment of shares to foreigners and non-residents.

16. Whenever it is proposed to allot shares to a person not being a citizen of India, or to a person resident outside India (whether a citizen of India or not), or to a company not incorporated under any law in force in India, or to a company in which the non-resident interest is more than forty per cent, the provisions of the Foreign Exchange Regulation Act for the time being in force, for the obtaining of the general or special permission of the Reserve Bank of India, shall be complied with.

Return as to allotments.

17. Whenever any allotment of shares of the Company is made, and whenever any shares (not being bonus shares) are allotted as fully or partly paid-up otherwise than in cash, the Company shall within thirty days file a return with the Registrar of Companies, and otherwise comply with the provisions of Section 75 of the Act.

ENTITLEMENT TO FRACTIONS OF A SHARE

Alternative power of Board relating to fractions of shares.

18. Whenever any new shares are to be issued to increase the share capital of the Company, and are to be offered for allotment to the members as of right (or as "Rights Shares") under Article 6(1) of these Articles, or are to be allotted to members as Bonus Shares, and whenever it is proposed to effect any consolidation or sub-division of shares, if any member becomes entitled to a fraction or fractions of a share, the Board may, (if so authorised by the resolution of the Company relating to the increase of capital or the issue of bonus shares, or relating to the consolidation or sub-division of the shares of the Company), instead of offering the fractions, consolidate the same and sell the resultant shares and distribute, to or amongst the members entitled to such fractions and in due proportion, the net

proceeds of such sale of shares. For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof, and the purchaser shall be registered as the holder of the shares comprised in any such transfer, and he shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. Any difficulty arising in these matters may be resolved by the Board in such manner as it may consider to be equitable.

SHARE CERTIFICATES AND REGISTER OF MEMBERS

19. Every person whose name is entered as a Member in the Register shall be entitled to receive :

Right to issue of Share Certificates.

(a) one certificate for all his shares, without payment; or

Article 19(b) as altered by a Special Resolution passed at the Forty Fifth Annual General Meeting of the Company held on August 2, 1999.

"Several certificates, each for one or more of his shares, upon payment of one Rupee (or such smaller sum as the Board may from time to time determine) for every certificate after the first.

Provided however that no share certificate(s) shall be issued for shares held by a Depository."

(2) Subject to the provisions of clause (1), every share certificate shall be issued under the Seal of the Company, which shall be affixed in the presence of (a) two Directors or persons acting on behalf of the Directors under duly registered powers of attorney, and (b) 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 shall sign the share certificate :

Provided that at least one of the aforesaid two Directors shall be a person other than a Managing or Whole-time Director.

(3) A share certificate, issued in the manner as mentioned in clause (2) of this Article, specifying any shares held by any member, shall be *prima facie* evidence of the title of the member to such shares.

Share Certificate to be *prima facie* evidence of title.

(4) A share certificate may be split, or several share certificates may be consolidated, as may be required by the member, on the member surrendering to the Company the original share certificate or certificates for cancellation, and paying such fees as may be prescribed under these Articles.

Splitting and consolidation of share certificates.

21. In respect of any share or shares held jointly in a particular order by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to the person first named of such several joint-holders shall be sufficient delivery to all such holders.

Share Certificates of joint-holders.

Article 22 (1) as substituted by Special Resolution passed at the Thirty-First Annual General Meeting of the Company held on 17th May, 1985

The Company shall, within three months after the allotment of any of its shares or debentures and within one month after receipt of an application for registration of the transfer of any such shares or debentures, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provide.

Limitation of time for issue of certificate.

(2) The word 'transfer' for the purposes of clause 1 above, means a transfer duly stamped and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

If shares listed on Stock Exchange.

23. If the shares of the Company are got listed on a Stock Exchange, the Company shall comply with the terms and conditions of any agreement it may have entered into with the Stock Exchange.

Loss, etc., of Share Certificates.

24. (1) If a share certificate be defaced, mutilated, torn, decrepit or worn out, or rendered useless, or if it is lost or destroyed, then, subject to the provisions of "The Companies (Issue of Share Certificates) Rules, 1960," or any modification thereof for the time being in force, a new certificate may be issued on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence and procuring an indemnity as the Board thinks fit, and (in the case of a share certificate which is defaced, mutilated, torn, decrepit or worn out, or rendered useless) on surrender to the Company of the old certificate for cancellation.

Fees for issuing new certificate.

(2) A new certificate may be issued on payment of such fee, not exceeding Rupees two, as the Board may from time to time fix: Provided that no fees shall be chargeable for the issue of a new certificate in replacement of one which is old, decrepit or worn out, or where the cages on the reverse for recording transfers have been fully utilised.

Fee payable on splitting or consolidation

(3) The Company may also charge such fee, exceeding Rupees two per share certificate as the Board thinks fit for certificates issued on the splitting of

Article 25(1) as substituted by a Special Resolution passed at the Forty Fifth Annual General Meeting of the Company held on August 2, 1999.
 "The Company shall cause to be kept in one or more books a Register and Index of Members in accordance with Sections 150 and 151 of the Act and Depositories Act, with details of shares held in material and dematerialised forms, in any media (including electronic media) as may be permitted by law. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, shall be deemed to be the Register and Index of Members holding shares in a dematerialised form, for the purposes of the Act."

Certificates of Shares.

Register of Members, there shall also be mentioned certain particulars—in both cases, as required by Rule 7 of "The Companies (Issue of Share Certificates) Rules, 1960," or any modification thereof for the time being in force.

Article 25(3) as substituted by a Special Resolution passed at the Forty Fifth Annual General Meeting of the Company held on August 2, 1999.
 "The Company shall also cause to be kept in one or more books, a register and index of Debentureholders in accordance with the provisions of Section 152 of the Act."

Authentication of entries in Register of Members, etc.

(4) All entries made in the Register of Members and in the Register of Renewed and Duplicate Certificates of Shares shall be authenticated by the Secretary or some other person nominated by the Board under Article 20(2).

Foreign Register.

26. (1) The Company shall be entitled to keep in any State or country outside India a Branch Register of Members or Debenture-holders resident in that State or country, (in these Articles called a 'Foreign Register').

(2) The provisions of Sections 157 and 158 of the Act shall apply, and shall be complied with, in respect of a Foreign Register.

UNDERWRITING COMMISSION AND BROKERAGE

27. (1) The Company may exercise the powers conferred by Section 76 of the Act, of paying a commission for subscribing for or underwriting or placing shares and debentures of the Company: Provided that the rate per cent of the commission paid or agreed to be paid is disclosed in the manner required by that Section, and the number of shares or debentures which persons have agreed for a commission to subscribe absolutely or conditionally is also disclosed in the same manner.

Commission for underwriting or placing shares and debentures.

(2) The rate of the commission shall not exceed five per cent of the price at which the shares in respect whereof the same is paid are issued, and, in the case of debentures, two and a half per cent of the price at which the debentures are issued.

(3) The commission may be satisfied by the payment of cash, or the allotment of fully or partly paid shares, (or debentures, as the case may be), or partly in one way and partly in the other.

28. The Company may also, on any issue of shares or debentures, pay such brokerage as may be lawful and usual for companies to pay to brokers.

Brokerage.

TRUSTS AND EQUITABLE INTEREST

29. (1) Except as required by law, or as ordered by a Court of competent jurisdiction, no person shall be recognised by the Company as holding any share upon any trust; and the Company shall not be bound by, or be compelled in any way to recognise, (even when having notice thereof), any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the registered holder.

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

(2) Notwithstanding anything contained in clause (1) of this Article, the Company shall make a note of any declaration, made under Section 187-C of the Act, by a person whose name is entered in the Register of Members of the Company as the holder of a share, specifying the name and other particulars of the person who holds the beneficial interest in such share; and the Company shall comply with the provisions of that Section.

Exceptions:

(i) under Section 187-C of the Act.

(3) Nothing contained in clause (1) of this Article shall affect the provisions of these Articles, (i) relating to the Transmission of Shares on the death of one of the joint-holders or on the death of the sole holder of any share, or (ii) relating to the Transmission of Shares to any person becoming lawfully entitled to a share in consequence of the death, lunacy, bankruptcy, or insolvency of any member.

(ii) in case of Transmission of Shares.

Article 30(1) as substituted by a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

30. (1) The Company shall have the power to purchase its own shares or other specified securities, subject to the procedure prescribed in the Act, out of its free reserves, the securities premium account or the proceeds of any shares or specified securities.

Purchase by Company of its own shares

Loans by
Company for
purchase of its
shares.

31. (1) The Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.

(2) Notwithstanding anything contained in this Article, the Company shall have power—

- (a) to provide, (in accordance with any scheme for the time being in force), money for the purchase of or subscription for fully-paid shares in the Company, being a purchase or subscription by trustees of or for shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; and
- (b) to make loans to persons (other than Directors or managers) *bona fide* in the employment of the Company, with a view to enabling those persons to purchase or subscribe for fully-paid shares in the Company to be held by themselves by way of beneficial ownership. Any loan so given shall not exceed in amount that person's salary or wages at that time for a period of six months.

LIEN

Company's
lien on shares.

32. (1) The Company shall have a first and paramount lien on every share (not being a fully-paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share; but the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

(2) The Company's lien, if any, on a share shall extend to all dividends payable thereon.

Enforcing lien
by sale.

33. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien :

Provided that no sale shall be made :—

- (a) unless a sum in respect of which the lien exists is presently payable; and
- (b) until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of the said holder's death or insolvency.

Effect of sale.

34. (1) To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer.

Protection
of purchaser.

(2) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application of
proceeds of sale.

35. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

36. (1) The Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times :

Calls and intervals between calls.

Provided that no call shall exceed one-half of the nominal value of the share or be payable at less than two months from the date fixed for the payment of the last preceding call.

(2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company at the time or times and place so specified the amount called on his shares.

(3) A call may be revoked or postponed, or the time for paying the same may be extended, at the discretion of the Board.

37. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed, and may be required to be paid by instalments.

Time when call deemed made.

38. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Liability of joint-holders.

Article 39(1) as substituted by a Special Resolution passed at the Thirty Fourth Annual General Meeting of the Company held on 18th August, 1988.

39(1) If a sum in respect of a share or debenture is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as the Board may from time to time fix in that behalf.

Interest on unpaid call.

40. (1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

Sums payable at fixed time to be treated as calls.

(2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

41. (1) 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.

Calls on shares of same class to be made on uniform basis.

(2) For the purposes of clause (1) of this Article, shares of the same nominal value but on which different amounts have been paid-up, shall not be deemed to fall under the same class.

42. (1) The Company may accept from any member willing to advance the same, the whole or any part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up.

Payment of calls in advance.

Interest on
advance payment.

(2) Upon all or any of the moneys so advanced, the Board may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) nine per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

(3) Any amount paid in advance of calls on any shares shall not in respect thereof confer upon the Member any voting rights or a right to dividend or to participate in profits, until the amount would, but for such payment, become presently payable.

Article 43 as substituted by a Special Resolution passed at the Forty Fifth Annual General Meeting of the Company held on August 2, 1999.

"The Company shall maintain a 'Register of Transfers' and therein shall be fairly and distinctly entered, particulars of every transfer or transmission of any share held in the material form."

Form and
manner of
Transfer.

44. (1) Shares in the Company shall be transferable only by an instrument in writing, in such form as may be prescribed under Section 108 of the Act. It shall be duly stamped, and delivered to the Company within the period prescribed by the said Section. It shall be executed by or on behalf of both the transferor and the transferee, and shall contain the particulars set out in the said Form.

(2) The instrument of transfer shall be presented to the Company along with the certificate relating to the shares proposed to be transferred, or, where no such certificate has yet been issued, along with the letter of allotment of the shares proposed to be transferred.

(3) Nothing contained in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

(4) In the case of certain categories of shares referred to in sub-section (1-C) of the said Section 108 of the Act, the instrument of transfer shall also be given effect to if it is stamped or endorsed as required by, and presented to the Company within the time mentioned in, the said sub-section (1-C).

(5) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of Members in respect thereof.

When transfer
instrument not
acceptable by
the Company.

45. The Company may decline to accept or recognise any instrument of transfer unless :

- (a) such transfer fee as is hereinafter provided in these Articles is paid to the Company in respect thereof;
- (b) the instrument of transfer is accompanied by the certificate of the shares (or if no such certificate is in existence, by the Letter of Allotment of the shares) to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer, (the Company remaining entitled to retain such instrument and other evidence); and
- (c) the instrument of transfer is in respect of only one class of shares.

Article 46 as substituted by a Special Resolution passed at the Thirty-Fifth Annual General Meeting of the Company held on September 18, 1989.

46. Subject to the provisions of section 111 of the Act, the Board may, at its discretion decline to register or acknowledge any transfer of shares or debentures whether fully paid or not (notwithstanding that the proposed transferee be already a member or debentureholder), but in such cases it shall, within two months from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company send notice of the refusal to the transferee and transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal.

on the ground of the transferor being, either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except as stated hereinabove.

(3) The Board's right to decline to register a transfer shall not be affected by the fact that the proposed transferee is already a member.

47. (1) The Board may, if it has reason to believe that any instrument of transfer delivered to the Company for the transfer of a share or block of shares may be in violation of the provisions of Sections 108-A or 108-B of the Act, postpone the consideration of the application for transfer; and, meanwhile, may require the proposed transferee or transferor or both to satisfy the Board that the provisions of the said Sections are either inapplicable or have otherwise been complied with. After receipt of the explanation, the Board shall decide whether to register the transfer, or to decline to do so.

Board's right to postpone consideration of application for transfer:

(i) if believed to be violative of Sections 108-A or 108-B of the Act.

(2) Likewise, the Board may, if it has reason to believe that any instrument of transfer delivered to the Company for the transfer of a share or block of shares may be in violation of the provisions of Section 19 or Section 29 or other applicable provisions of the Foreign Exchange Regulation Act, 1973, (or any statutory modification or re-enactment thereof), postpone the consideration of the application for transfer; and, meanwhile, may require the proposed transferee or transferor or both to satisfy the Board that the provisions of the said Sections are either inapplicable or have otherwise been complied with. After receipt of the explanation, the Board shall decide whether to register the transfer, or to decline to do so.

(ii) if believed to be violative of certain Sections of the F.E.R. Act, 1973.

48. Without prejudice to the general powers of the Board under Article 46, the transfer of a share to a minor, or to an undischarged insolvent, or to a lunatic, shall not be made unless such transferee is duly represented by his legal guardian, or by the official assignee or a receiver, or by a committee of the lunatic, as the case may be, and then subject to such terms and conditions as the Board may in each case think fit to impose.

Transfer to minor, lunatic, etc.

Article 49 has been deleted by a Special Resolution passed at the Thirty-Fifth Annual General Meeting of the Company held on September 18, 1989.

Transfer of partly paid shares.

50. (1) Where an instrument of transfer relates to partly paid shares, and the same is presented for transfer by the transferor, the transfer shall not be registered unless the Company has given notice of the proposed transfer to the transferee, and the transferee has made no objection, within two weeks from the receipt of the notice, to such transfer being made.

(2) The provisions of sub-section (3) of Section 110 of the Act shall apply to such notice.

Transfer by legal representative.

51. A transfer of a share of a deceased member made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Custody of the instrument of transfer.

52. (1) The instrument of transfer shall after registration be retained by the Company and shall remain in its custody.

(2) Any instrument of transfer which the Board may decline to register shall on demand be returned to the person depositing the same.

(3) The Board may cause to be destroyed all transfer deeds lying with the Company after such period as the Board may determine.

Closure of transfer books.

53. The Board shall have power, on giving not less than seven days' previous notice by advertisement as required by Section 154 of the Act, to close the transfer books of the Company for such period or periods of time not exceeding in the whole forty-five days in each year, but not exceeding thirty days at a time, as the Board may deem fit.

Effect of Registration.

54. (1) The registration of a transfer shall be conclusive evidence of the approval of the transferee by the Board, but so far only as regards the share or shares in respect of which the transfer is so registered, and not further or in respect of other transfer of other shares applied for in the name of such transferee.

Retransfer in certain cases.

(2) Notwithstanding anything contained in clause (1) of this Article, where the Central Government has, in exercise of its powers under Section 108-D of the Act, given to the Company a direction not to give effect to the transfer of any share or block of shares, then (i) the Company shall not give effect to such transfer in respect of voting or other rights as mentioned in the said Section, and (ii) the share or block of shares shall stand retransferred to the person from whom the same were acquired by the transferee.

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

55. The Company shall incur no liability or responsibility whatsoever 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) 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 or 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 Board shall so think fit.

TRANSMISSION OF SHARES

56. In the case of the death of any one of the persons named in the Register as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share. But nothing herein contained shall be taken to release the estate of the deceased joint-holder from any liability in respect of any share which had been jointly held by him with any other person.

Transmission on death of one of joint-holders of shares.

Article 57 as substituted by a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

57. Any person who becomes a nominee (in accordance with the provisions of the Act) of the registered member of the company, and upon the production of such evidence as may be required by the Board may elect to either be registered as a holder of the shares or debentures as the case may be, or may make such transfer of the shares or debentures, as the case may be in accordance with the procedure prescribed under the Act from time to time thereof in force.

Transmission on death of sole holder

thinks fit, the Board may dispense with the production of Probate or Letters of Administration or Succession Certificate or other proof of title, and may (subject to the provisions of these Articles) permit the registration of any person or persons who claims, or claim jointly to be absolutely entitled to the shares standing in the name of the deceased member.

Article 58 has been deleted by a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

Explanation: For the purpose of this Article, the expression "principal officer" shall be as defined in Section 2(14A) of the said Act.

(2) The Company shall not register the transfer of any share of such deceased shareholder, except as stated in Section 84 of the said Act. But this provision shall not apply to joint-holdings covered by Article 56.

59. Any person becoming entitled to a share in consequence of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, may, upon such evidence being produced that he sustains the character in respect of which he proposes to act under this Article, as may from time to time properly be required by the Board, and subject as hereinafter provided, elect either to be registered himself as the holder of the share or to have some person nominated by him and approved by the Board, registered as the transferee thereof.

Election by person entitled on death, etc., of member.

60. The Board shall, in either case mentioned in the preceding Article, have the same absolute and uncontrolled discretion to decline registration as it would have had in the case of a transfer of the share by that member before his death, lunacy, bankruptcy or insolvency, as the case may be.

Board's right to decline to register a transmission.

Article 61 as altered by a Special Resolution passed at the Thirty-Fifth Annual General Meeting of the Company held on September 18, 1989.

required by Section 111 of the Act; and the Company shall also comply with the other requirements of that Section.

of Section 111 of the Act; and the Company shall also comply with the other requirements of that Section.

Modes of exercising election.

62. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing duly signed stating that he so elects.

(2) If he shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee a transfer of the share in accordance with the provisions of these Articles.

Provisions as to transfers to apply also to transmissions.

63. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as is referred to in the preceding Article as if the death, lunacy, bankruptcy or insolvency of any member had not occurred and such notice or transfer were a transfer signed by the member.

Rights of person entitled by transmission.

64. (1) A person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of any member, shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Board may require person entitled by transmission to elect.

(2) The Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share; and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

Provisions relating to transfers, to apply also to transmissions, wherever applicable.

65. The provisions of these Articles relating to Transfer of Shares, shall also apply *mutatis mutandis* to the Transmission of Shares, wherever and to the extent applicable.

FEES

Board's discretion to charge or not to charge fees.

66. (1) The Board shall have discretion to charge or not to charge any fee (which discretion it may exercise from time to time and for any period of time), in respect of the transfer or transmission of a share; and to charge or not to charge any fee for registration with the Company of a probate or letters of administration or succession certificate or the like, or a certificate of death or of marriage, or a power of attorney, or other instrument.

(2) Until the Board shall have exercised its discretion to charge any fee, no fee shall be chargeable by the Company for transfer or transmission of a share, or for registration of an instrument aforesaid.

Article 67 has been deleted by Special Resolution passed at the Thirty-First Annual General Meeting of the Company held on 17th May, 1985.

one transmission of any number of shares of one class, or it may be on a graduated scale varying with the number of shares comprised in one transfer or one transmission; or it may be fixed in any other manner as the Board in its

Articles 71A and 71B have been inserted after Article 71 according to a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

71A (1) Every holder of share(s) in, or holder of debenture(s) of the Company, may under the Act at any time, nominate, in the prescribed manner, a person to whom his share(s) in, or debenture(s) of, the Company shall vest in the event of his death. Nomination

(2) Where the share(s) in, or debenture(s) of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the share(s), or debenture(s) of the Company shall vest in the event of death of all the joint holders.

(3) Notwithstanding anything contained in any other law for the time being in force or in these Articles or in any disposition, whether testamentary or otherwise, in respect of such share(s) in, or debenture(s) of, the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the share(s) in, or debenture(s) of the Company, the nominee shall, on the death of the shareholder or holder of the debentures of the Company or as the case may be on death of the joint holders become entitled to all the rights in the share(s) or debenture(s) of the Company or as the case may be, all the joint holders, in relation to such share(s) in or debenture(s) of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

(4) Where the nominee is a minor, it shall be lawful for the holder of the share(s) or holder of debenture(s) to make a nomination to appoint, in the prescribed manner, any person to become entitled to share(s) in or debenture(s) of the Company, in the event of his death, during the minority.

71B (1) Notwithstanding anything contained in these Articles any person who becomes a nominee by virtue of the provisions of Article 71A, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, either elect- Transmission
through Nomination

(a) To be registered himself as holder of the share(s) or debenture(s) as the case may be; or

(b) To make such transfer of the share(s) or debenture(s) as the case may be as the deceased shareholder or debenture holder as the case may be could have made.

(2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the share(s) or debenture(s) himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be.

(3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder as the case may be.

(4) A person being a nominee becoming entitled to a share(s) or debenture(s) by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share(s) or debenture(s) except that he shall not before being registered a member in respect of his share(s) or debenture(s) be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share(s) or debenture(s), and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share(s) or debenture(s), until the requirements of the notice have been complied with.

Notice of forfeiture.

75. When any share shall have been so forfeited, notice of the forfeiture shall be given to the holder of the share, or to the person entitled to the share by transmission, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register; but no forfeiture, shall be invalidated by any failure to give such notice or make such entry as aforesaid. Where any such notice has been given, the holder of the share or the other person referred to shall deliver up to the Company the relevant share certificate within forty-eight hours of the service of the notice.

Sale of forfeited share.

76. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

Cancellation of forfeiture.

(2) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Shareholder's position after forfeiture.

77. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by such member to the Company in respect of the shares, together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine, and the Board may enforce the payment of the whole or a portion thereof if they think fit, but shall not be under any obligation to do so.

(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.

Evidence of forfeiture.

78. (1) A duly verified declaration in writing that the declarant is a Director, or a Managing Director, or the General Manager or Manager or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

Transfer of forfeited share.

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

Cancellation of share certificates in respect of forfeited shares and issue of a duplicate.

(3) Upon any sale, re-allotment or other disposal under these Articles, the certificate originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously delivered up to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a duplicate certificate in respect of the said shares to the person entitled thereto, distinguishing it in such manner as the Board may think fit from the certificate not so delivered up.

Title of purchaser of forfeited share.

(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.

Articles regarding forfeiture to apply to certain other cases.

79. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way

of premium, as if the same had been payable by virtue of a call duly made and notified.

Article 80A to be inserted after Article 80 according to a Special Resolution passed at the Forty Fifth Annual General Meeting of the Company held on August 2, 1999.

(i) "Dematerialisation of securities"

80A (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities and/or offer fresh securities for subscription in a dematerialised form pursuant to the Depositories Act and the rules framed thereunder. Additionally, on the investor exercising an option to hold his/her securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise his/her securities, in which event, the rights and obligations of the parties concerned shall be governed by the Depositories Act."

(ii) Option to receive security certificates or hold securities with a depository

"Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository. Where a person opts to hold a security with a depository, the Company shall intimate to such depository, the details of allotment of the security, and on receipt of such information, the depository shall enter in its records, the name of the allottee as the beneficial owner of that security."

(iii) Securities in depositories to be in fungible form

"All securities held by a depository shall be dematerialised and shall be in a fungible form.

Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owner."

(iv) Distinctive numbers of securities held by a Depository

"Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to Securities held with a Depository."

(v) Transfer and transmission of securities

"Notwithstanding anything contained in the Act or these Articles, in the case of transfer or transmission of securities, where the Company has not issued any certificates and where such securities are being held in an electronic and fungible form with a Depository, the provisions of the Depositories Act shall apply."

Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this sub-clause in respect of the former resolution or resolutions, but not in respect of the latter.

86. (1) Every notice of a general meeting shall specify the place and the day and hour of the meeting, and shall contain a statement of the business to be transacted thereat.

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notice.

(2) The Company shall give to its members, within the time and in the manner provided in sub-section (2) of Section 190 of the Act, notice of any resolution of which special notice shall have been given to the Company.

Explanatory Statement.

87. (1) In the case of any business which is to be deemed 'Special' within the meaning of Section 173 of the Act, an explanatory statement shall be annexed to the notice of the meeting as required by that Section, and the time and place for inspection of documents of which approval is sought at the meeting shall be specified in such statement.

(2) Where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the Registered Office of the Company under sub-section (3) of Section 53 of the Act, the explanatory statement referred to in clause (1) of this Article need not be annexed to the notice, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Persons entitled to notice, and manner of service of notice.

88. Notice of every general meeting shall be given to the parties hereinafter mentioned in, and in any manner authorised by, these Articles, under the chapter headed 'Documents and Notices'.

Accidental omission to give notice not to invalidate proceedings of meeting.

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

Resolutions requiring special notice.

90. (1) Where, under Section 225 or Section 284 or any other provision contained in the Act, or by these Articles, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.

(2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give to them notice thereof, either by advertisement in a newspaper having an appropriate circulation in Bombay or in any other mode allowed by these Articles, not less than seven days before the meeting.

Circulation of members' resolutions.

91. The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.

PROCEEDINGS AT GENERAL MEETINGS

Reports, Statements and Registers to be laid on the table, at the Annual General Meeting.

92. (1) At every Annual General Meeting of the Company, there shall be laid on the table the Directors' Report and audited Statement of Accounts, the Auditor's Report (if not already incorporated in the audited Statement of Accounts), the proxies lodged with the Company, and the Register of Shareholdings of Directors, etc., maintained under Section 307 of the Act.

(2) The Auditor's Report shall be read before the Company in general meeting and shall be open to inspection by any member of the Company.

(3) The said Register of Shareholdings of Directors etc., shall remain open and accessible during the continuance of the Meeting to any person having the right to attend the Meeting.

93. (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

Quorum for meeting.

(2) Save as herein otherwise provided, five members present in person or, in case of members who are corporations, through representatives appointed under Article 122, shall be a quorum.

(3) The provisions of sub-sections (3), (4) and (5) of Section 174 of the Act shall apply if a quorum is not present.

94. (1) The Chairman of the Board shall be entitled to preside as chairman at every General Meeting of the Company. If there be no such Chairman of the Board in India, or if at any General Meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the Chair, then the Vice-Chairman (if any) shall be entitled to be the chairman of the meeting.

Chairman of General Meeting.

(2) Failing the Chairman of the Board and the Vice-Chairman (if any), the Directors present shall elect one of their number to be the chairman of the meeting.

(3) If at any meeting no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their number to be the chairman of the meeting; and if a poll is demanded on the election of the chairman, it 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.

95. No General Meeting, whether Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened, except such formal and non-controversial resolutions which the chairman of the meeting, after taking the sense of the meeting, may allow to be moved at the meeting.

Meeting not to transact business not mentioned in the notice.

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

Adjournment of meeting.

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

97. (1) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Notice of adjourned meeting.

(2) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at any adjourned meeting.

98. At any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded as hereinafter stated, be decided on a show of hands.

Voting.

99. A declaration by the chairman of the meeting that, on a show of hands, a resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books

Evidence as to passing of resolution when poll not demanded.

Article 100(1) as substituted by a Special Resolution passed at the Thirty-Fifth Annual General Meeting of the Company held on September 18, 1989.

100(1) Before or on the declaration of the result of the voting on any resolution on a show of hands, a Poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company:

- i) Which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or
- ii) on which an aggregate sum of not less than Rs.50,000/- has been paid up.

tenth of the total sum paid up on all the shares

(2) The demand for a poll may with the consent of the chairman of the meeting be withdrawn at any time by the person or persons who made the demand.

Time for taking a poll.

101. (1) A poll demanded on the election of a chairman under Article 94(3), or on a question of adjournment, shall be taken forthwith.

(2) A poll demanded on any other question shall be taken at such place in Bombay and either immediately or at such time not being later than forty-eight hours from the time when the demand was made, as the chairman may direct.

Business may proceed pending poll.

102. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

How poll to be taken.

103. If a poll is duly demanded, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman may regulate.

Scrutineers.

104. (1) When a poll is to be taken, the chairman shall appoint two scrutineers as provided in Section 184 of the Act.

(2) The chairman shall have power to remove a scrutineer and to fill vacancies, as mentioned in the said Section 184 of the Act.

Result of the poll.

105. The result of a poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.

Chairman's casting vote.

106. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a second or casting vote.

Votes counted in error.

107. If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the resolution unless it be pointed out at the same meeting, or at any adjournment thereof, and not in that case unless it shall in the opinion of the chairman of the meeting be of sufficient magnitude to vitiate the resolution.

VOTES OF MEMBERS

108. (1) In the case of every member holding equity share— Voting Rights.
- (a) on a show of hands, every member who is present in person, or by a representative appointed under Article 122, or by proxy (the proxy not being himself a member), shall have one vote; and
- (b) on a poll, the voting rights of every member who is present in person, or by a representative appointed under Article 122, or by proxy, shall be in proportion to his share of the paid-up equity capital of the Company.
- (2) In the case of every member holding any preference share (whether cumulative or non-cumulative), the voting rights, (whether on any resolution placed before the Company which directly affects the rights attached to his preference shares, or on every resolution placed before the Company at any meeting), shall be as laid down in sub-section (2) of Section 87 of the Act, including the provision that, on a poll, the voting right shall be in the same proportion as the capital paid-up in respect of the preference shares bears to the total paid-up equity capital of the Company. But this shall be without prejudice to the restrictions, if any, for the time being placed on the rights attached to such preference shares, by or under these Articles.
109. In the case of joint-holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint-holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members. Votes of joint-holders.
110. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy. Votes of persons of unsound mind.
111. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by such member in respect of shares in the Company have been paid. Member in default may not vote.
112. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Objections to votes.
- (2) Any objection to the qualification of any voter or to the validity of any vote tendered at a meeting or at a poll, if made in due time, shall be referred to the chairman of the meeting, whose decision shall be final and conclusive.

Articles 113A has been inserted after Article 113 according to a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

- 113A The Company may pursuant to the provision of Section 192A of the Companies Act, 1956 and in terms of the Companies (Passing of the Resolution by Postal Ballot) Rules 2001, including any statutory modification for the time being in force or re-enactment thereof or any amendments made thereto from time to time and in case of Resolutions as the Central Government may notify from time to time to be conducted only by Postal Ballot shall get the said Resolution passed by means of a Postal Ballot instead of transacting the business in the General Meeting of the Company. Postal Ballot

Proxy to have no right to speak.

116. A proxy so appointed shall not have any right to speak at the meeting ; but the chairman of the meeting may, nevertheless, permit him to speak on any particular point and for a limited period of time mentioned by the chairman.

Notice of meeting to indicate that Member may appoint proxy.

117. In every notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member.

Proxy to be in writing.

118. The instrument appointing a proxy shall be in writing, under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a body corporate, be either under its seal, or under the hand of an officer or attorney duly authorised by it.

Forms of proxy.

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

Deposit of instrument of proxy.

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

Validity of vote given by proxy though authority revoked.

121. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity or liquidation of the principal or the revocation of the proxy, or of the authority under which the proxy was executed, or transfer of the share in respect of which the proxy is given :

Provided that no intimation in writing of such death, insanity, liquidation, revocation or transfer as aforesaid shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Representation of corporations at meetings.

122. (1) A body corporate, whether a company within the meaning of the Act or not, may—

- (a) if it is a member of the Company, by resolution of its Board of Directors or other governing body, authorise such one or more of its officials (by designation) or such person or persons as it thinks fit, and in such order as it may specify, to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company, or on any committee or sub-committee of the Company ;
- (b) if it is a creditor (including a holder of debentures) 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 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.

(2) A person authorised by 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 could exercise if it were an individual member, or creditor or holder of debentures of the Company.

123. (1) Where any shares in or debentures of the Company are held in trust by any person and the trustee has made a declaration as required by Section 153-B(1) and (2) of the Act, to the Public Trustee appointed by the Central Government under Section 153A of the Act, (but not the shares or debentures excluded under sub-section (4) of the said Section 153-B), the rights and powers, including the right to vote by proxy, exercisable at any meeting of the Company by the trustee as a member of the Company, shall cease to be exercisable by the trustee as such member, and shall become exercisable by the Public Trustee.

Voting by the
Public Trustee.

(2) The provisions of sub-sections (2) to (6) of Section 187-B of the Act, shall apply in respect of the Public Trustee in the case covered by clause (1) of this Article.

124. (1) Where, in respect of any share or block of shares of the Company, the Central Government has, under Section 108-D of the Act, given to the Company any direction not to give effect to the transfer of any such share or block of shares, then—

Voting rights
not exercisable
in certain
eventualities.

- (a) where the transfer of such share or block of shares has already been registered by the Company, the Company shall not permit the transferee or any nominee or proxy of the transferee; and
- (b) where the transfer of such share or block of shares has not been registered by the Company, the Company shall not permit any nominee or proxy of the transferor

to exercise any voting or other rights attaching to such share or block of shares.

(2) The provisions of sub-sections (2) to (4) shall apply in respect of a retransfer of the share or block of shares in the case covered by clause (1) of this Article.

125. Debenture-holders shall have no voting rights at any meeting of the Company, whether generally or in respect of particular classes of business.

No voting rights to
Debenture-holders.

GENERAL MEETINGS OF CLASS OF MEMBERS AND DEBENTURE-HOLDERS

126. In relation to meetings of any class of members, or of debenture-holders, or any class of debenture-holders, of the Company, the provisions contained in these Articles relating to General Meetings, Proceedings at General Meetings, and Votes of Members, shall apply, with such modifications as the context may require, and with such adaptations and modifications (if any) as may be prescribed by Rules made under the Act. In respect of voting by proxies, however, a contract binding on the persons concerned may provide otherwise than as set out in these Articles.

Articles to apply
with
modifications
also to
meetings of class
of members and
debenture-holders.

DIRECTORS, THEIR APPOINTMENT, ROTATION, REMUNERATION, AND VACATING OF OFFICE

Article 127 as substituted by a Special Resolution passed at the Thirty Fourth Annual General Meeting of the Company held on 18th August, 1988.

127 Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 252 of the Act the number of Directors shall not be less than three nor more than twelve

Number of
Directors.

Increase or
reduction in the
number of
Directors in
office for the
time being.

Article 127.

Article 128(2) has been deleted and Article 128(1) has been re-numbered as Article 128 by a Special Resolution passed at the Thirty Fourth Annual General Meeting of the Company held on 18th August, 1988.

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Article 129 has been deleted by a Special Resolution passed at the Thirty Ninth Annual General Meeting of the Company held on August 9, 1993.

(2) The Directors or Director so nominated shall, however, form part of the number of Directors whose period of office is liable to determination by retirement of Directors by rotation, and shall require to be appointed by the Company in general meeting.

(3) Any casual vacancy arising in the office of such Director shall be filled in by the Board in such a manner that the intendment of clause (1) of this Article is carried out.

Directors
nominated by
Debenture
Trustees and by
Financial
Institution.

130. (1) During such time as the Company has issued Debentures, the Company shall have the power to agree that the Debenture Trustees may from time to time nominate a person to be a Director on the Board. The Director appointed under this clause is referred to in these Articles as "the Debenture Director".

- (i) "Debenture Director".
- (ii) "Nominee Director".

(2) During such time as any loan granted by any financial institution to the Company shall remain owing by the Company, the Company or the Board shall have the power to agree that the financial institution may from time to time nominate a person to be a Director on the Board. The Director appointed under this clause is referred to in these Articles as "the Nominee Director". This expression shall include more than one such Director where a financial institution or financial institutions have (by virtue of any agreement made by the Company with them, or under their statutory powers) nominated in the aggregate more than one such Director.

Power to
substitute
Debenture and
Nominee
Directors.

(3) The Debenture Director and the Nominee Director shall hold office during the pleasure of the Debenture Trustees and of the financial institution nominating him, respectively. The Debenture Trustees or the financial institution, as the case may be, shall have power from time to time to cancel the nomination made and to nominate another person in place of the person nominated previously.

"Financial
Institution"
defined.

(4) For the purpose of this Article, and in these Articles generally, the expression "financial institution" means a corporation, bank or institution doing the business of financing or investment, and formed and registered as a company or established as a corporation under any law of India. The expression includes—

- (i) The "Public Financial Institutions" as defined in Section 4A of the Act, and any other institution which the Central Government may, in exercise of its powers under sub-section (2) of Section 4A, notify to be a Public Financial Institution within the meaning of that Section;
- (ii) any State Financial Corporation or any Joint Financial Corporation established under The State Financial Corporations Act, 1951; and
- (iii) any other company, corporation, bank or institution created or established by or under any law of India which empowers such body to

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Article 130A to be inserted after Article 130 according to Special Resolution passed at the Annual General Meeting of the Company held on 30th September, 1987.

130A If it is provided by any Trust Deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a "Debenture Director." A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be liable to retire by rotation and shall not be bound to hold qualification shares. Subject to the provisions of the Act, Debenture Directors shall not be liable to be removed by the Company.

the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time, (which Director or Directors, is/are hereinafter referred to as "Nominee Director/s") on the Board 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.

(2) 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 such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. The Company agrees that if the Board of Directors of the Company has constituted or proposes to constitute any management committee or other committee(s) it shall, if so required by the Corporation, include the Nominee Director as a member of such management committee or other committee(s). 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.

(3) 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 or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall *ipso facto* vacate such office immediately the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

(4) 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 shall also be entitled to receive all such notices and minutes.

(5) The Nominee Director/s shall be entitled to the same sitting fees, commission, remuneration and expenses as are applicable to other Directors of the Company. The Company shall pay the sitting fees and other expenses to the Nominee Director/s directly, but the commission remuneration or other monies and fees to which the Nominee Director/s is entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation.

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

(6) Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

(7) Provided also that in the event of the Nominee Director/s being appointed as whole-time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such whole-time Director/s shall be entitled to receive such remuneration, fees, commission, and monies as may be approved by the Corporation."

nominate one or more directors on the boards of companies to which that body has given loans or financial assistance.

131. Subject to the power of the Board to appoint Additional and Alternate Appointment of
Directors by the

Article 132(1) as altered by Special Resolution passed at the Annual General Meeting of the Company held on 30th September, 1987.

132(1) Not less than two-thirds of the total number of Directors (excluding in such computation any Director who, pursuant to the option exercised by the Corporation under Article 130 and any Debenture Director appointed under Article 130A, is not liable to retire by rotation) shall be persons whose period of office is liable to determination by retirement of Directors by rotation; and, save as otherwise expressly provided in the Act shall be appointed by the Company in general meeting; as required by Section 255 of the Act.

PROVISIONS REGARDING RETIREMENT OF DIRECTORS AS FIXED UNDER ARTICLE 127.

133. (1) At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. Provisions
regarding
retirement by
rotation.

(2) A retiring Director shall be eligible for re-appointment.

(3) A retiring Director shall retain office until the dissolution of the meeting at which his re-appointment is decided or his successor is appointed.

(4) The provisions of Section 256 of the Act shall apply in the case of Directors retiring by rotation.

Article 135 as substituted by a Special Resolution Passed at the Thirty-Fifth Annual General Meeting of the Company held on September 18, 1989.

135. A person who is not a retiring director shall, subject to the provisions of this Act, be eligible for appointment to the office of Director at any General Meeting, if he or some member intending to propose him has not less than 14 days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of director or the intention of such member to propose him as a candidate for that office as the case may be along with a deposit of five hundred rupees which shall be refunded to such person or as the case may be to such member, if the person succeeds in getting elected as a director.

Alternate
Director.

136. (1) The Board may appoint an Alternate Director to act for a Director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from the state of Maharashtra: Provided that if the Original Director is one appointed under Article 129 or 130, the Board shall appoint as his alternate that person only whose name is suggested by Laporte Chemicals Ltd., or by the Debenture Trustees or by the financial institution concerned, as the case may be.

(2) Such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly, and to receive Circulars and papers circulated to other Directors, and to express his views on Circulars.

(3) An Alternate Director appointed under clause (1) of this Article shall not hold office as such for a period longer than that permissible to the Original Director, and shall vacate office if and when the Original Director returns to the State of Maharashtra.

(4) If the term of office of the Original Director is determined before he returns to the State of Maharashtra, any provisions in the Act or in these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Additional
Directors.

137. The Board shall also have power from time to time to appoint Additional Directors, and such appointments shall be subject to the provisions of Section 260 of the Act.

Filling up of
casual
vacancies.

138. (1) If the office of the Debenture Director or the Nominee Director appointed under Article 130 is vacated from any cause, the resulting vacancy shall be filled by the Debenture Trustees or by the financial institution, as the case may be, by appointing another person as a Director.

(2) Subject as mentioned in clause (1) of this Article, if the office of any Director appointed by the Company in general meeting is vacated before his term of office will expire in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board: Provided that a casual vacancy arising in the office of a Director nominated by Laporte Chemicals Ltd. under Article 129(1) of these Articles, shall be filled in by the Board by appointing another person nominated by Laporte Chemicals Ltd.

(3) Any person appointed in the casual vacancy shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

Separate
resolution for
appointment of
each Director.

139. At a general meeting of the Company, a motion shall not be made for the appointment or re-election of two or more persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.

Share qualification
not required.

Remuneration to
Directors:

(i) Sitting
Fees.

Article 141(1) as substituted by a Special Resolution passed at the Thirty Fourth Annual General Meeting of the Company held on 18th August, 1988.

141(1) The fee payable to a Director (other than a Managing Wholtime Director) for attending a meeting of the Board or Committee thereof shall be decided by the Board of Directors from time to time within the maximum limit of such a fee that may be prescribed by the Central Government under the proviso to Section 310 of the Companies Act, 1956.

(2) The remuneration (including the salary and perquisites and other items referred to in the Explanation to Section 198 of the Act) payable to a

(ii) Remuneration to Managing Director.

Article 141(2) has been deleted by a Special Resolution passed at the Fifty-First Annual General Meeting of the Company held on 28th July 2005.

resolution, and also approved or by the Central Government under Sections 269, 309, 311, and other applicable provisions of the Act. In case of absence or inadequacy of profits, the provisions of sub-section (4) of Section 198 of the Act shall apply.

(3) Directors other than managing and whole-time Directors may be paid such commission by way of a percentage of the net profits of the Company, as the Company may by special resolution authorise, subject to the limits laid down in, and the provisions of, Sections 309 and 198 of the Act, and subject also to the approval of the Central Government if and when required under Sections 309 and 310 of the Act.

(iii) Remuneration to other Directors.

(4) The commission payable to Directors other than managing and whole-time Directors, and the commission (if any) payable to a Managing or a whole-time Director, shall not accrue to and shall not be due or be paid to them, or him, for any year until the Accounts for that year have been passed by the Company at its next Annual General Meeting. Such commission, when paid to Directors other than a Managing or a whole-time Director, may be shared by the Directors in such manner as they may agree upon between themselves, and, failing an agreement, by such Directors equally.

(iv) When commission to accrue.

142. A Director may in writing express to the Board that he waives the commission, or the sitting-fee for any or for all meetings of the Board, or both, payable to him under these Articles. In such event, the commission or fee shall not accrue to and shall not be due or be paid to him. The waiver may be withdrawn at any time, with prospective effect, by writing to the Board. A note of the waiver and of the withdrawal thereof shall be made in the Minutes of the same or the next meeting of the Board.

Waiver of commission and of fees.

143. The Board may reimburse and pay to any Director who is not a *bona fide* resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting of the Board, or of a Committee of the Board, or a general meeting of the Company or of a class of members or debenture-holders of the Company, or in connection with the business of the Company, such sum as the Board may consider reasonable, for travelling, boarding and lodging, and other expenses actually and properly incurred for the business of the Company, in addition to the fee for attending a meeting as above specified. If any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be reimbursed any travelling, hotel or other expenses actually and properly incurred for the business of the Company.

Reimbursement of travelling and other expenses incurred by Director for Company's business.

144. The Board on behalf of the Company may pay a gratuity or pension or allowance on retirement to any Managing Director or to a whole-time Director, or to any Director who has held any office or place of profit with the Company, or to his widow or dependants, in respect of the past services of such Director. For this purpose, the Board may also make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

Payment of pensions, etc., to Directors.

ution passed
company held

a Managing Director
or Committee
in time to time
described by the
the Company

Compensation
for loss of
office.

145. No payment shall be made to a managing or whole-time Director or to any other Director for loss of office, except as provided in Sections 318, 319, 320 and 321 of the Act.

Vacation of
office of
Director.

146. The office of a Director shall become vacant on any of the grounds mentioned in Section 283 of the Act, and subject to the provisions of that Section.

Removal of
Director.

147. (1) The Company may, by ordinary resolution, of which special notice shall have been given in accordance with sub-section (2) of Section 284 of the Act, remove any Director before the expiry of his period of office.

(2) On receipt of such notice, the Company shall comply with the provisions of sub-sections (3) and (4) of the said Section.

(3) The removal pursuant to the passing of such resolution, shall be without prejudice to any claim which such Director may have for compensation or damages in respect of the termination of his appointment as Director.

Filling up of the
vacancy caused
by removal.

(4) The provisions of sub-sections (5) and (6) of the said Section shall apply as regards filling up of the vacancy created by the removal of a Director under this Article.

Article 148 has been renumbered as Article 148(1) and the following clause (2) been inserted according to a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

Appointment as
Director, when to
become void

(2) Director who is also a director of a public company which has not filed the accounts and annual returns for continuous three financial years commencing or after the first day of April, 1999; or has failed to repay its deposit or interest thereon due date or redeem its debentures on due date or pay dividend and such failure continues for one year or more shall be disqualified from continuing as a Director and directorship shall be deemed to be void.

Article 148(1) as altered by a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

148 (1) When a person already holding the office of director in fifteen companies or other number of companies as may be specified by the Companies Act 1956 or such law, rules or regulations from time to time in force, is appointed as a Director of the Company, the appointment shall not take effect unless such person has, within fifteen days thereof, effectively vacated his office as director in any of the companies in which he was already a director, and the appointment shall become void immediately on the expiry of the fifteen days if he has not before such expiry, effectively vacated his office as director in any of the other companies aforesaid. In calculating the number of directorships for the purpose of this Article, the provisions of Section 278 of the Act shall apply.

Assignment
of office by
Director, void

(2) Any assignment of his office made by any Director of the Company shall be void.

BOARD'S POWERS AND RESTRICTIONS THEREON

152. (1) Subject to the provisions of the Act, the Board of Directors shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do: Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or by the Memorandum or Articles of the Company or otherwise, to be exercised or done by the Company in general meeting.

General Powers
of the Board.

(2) In exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act, or in the Memorandum or Articles of the Company, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made 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.

153. (1) The Board of Directors shall not, except with the consent of the Company in general meeting, and subject to the provisions of Section 293 of the Act, exercise any of the powers or do any acts or things as are specified in the said Section. These relate to:

General
restrictions on
powers of the
Board.

- (a) selling, leasing or otherwise disposing of the whole or substantially the whole of an undertaking of the Company;
- (b) remitting, or giving time for the repayment of, any debt owing by a Director;
- (c) investing, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any undertaking of the Company or its essential premises or properties;
- (d) borrowing 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 specific purpose; and
- (e) contributing 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 in any financial year will exceed the limits set out in clause (2) of Article 159.

(2) Any powers exercised, and any acts or things done, pursuant to clause (1) of this Article, shall be exercised and done subject to such conditions, restrictions and limitations as may be specified in the resolution in that behalf passed by the Company in general meeting.

In Article 154(1), sub-clause (aa) has been inserted after sub-clause (a) according to a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

(aa) The power to authorize the buy-back of the Company's shares or other specified securities, in accordance with the procedure prescribed under the Act.

Certain powers to
be exercised by board
only at meeting

(d) The power to invest the funds of the Company, and

(e) The power to make loans.

(2) Nothing contained in this Article shall affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers hereinabove specified.

(3) The power to delegate to a committee of the Board, or to the Managing Director or the manager or any other principal officer of the Company, any of the powers mentioned in items (c), (d) and (e) of clause (1) of this Article, which delegation may be made only to the extent specified in sub-sections (2), (3) and (4) of Section 292 of the Act, shall also be exercisable by the Board by a resolution passed at a meeting of the Board.

Certain acts or things to be done by the Board only at a meeting.

155. The following acts or things to be done by the Board of Directors shall be done only at a meeting of the Board, and not by resolutions passed on circular, or otherwise, namely :—

- (i) filling a casual vacancy on the Board under clause (2) of Article 138;
- (ii) giving the consent of the Board to a contract between the Company and a Director or his relative, or a firm or a private company, as is referred to in Section 297 of the Act;
- (iii) receiving a general notice (or renewal thereof) given by a Director to the Board, disclosing the nature of his concern or interest in any contract or arrangement or proposed contract or arrangement, as mentioned in Section 299 of the Act;
- (iv) receiving a notice given by a Director to the Company, disclosing the particulars (referred to in Section 307 of the Act) as regards his holding of shares in or debentures of the Company or any other body corporate, as is mentioned in Section 308 of the Act;
- (v) investing the funds of the Company in the shares or debentures of any other body corporate, as is required by sub-section (5) of Section 372 of the Act; and
- (vi) doing any other act or thing, or exercising any other power, which is required, by the Act or by these Articles, to be done or exercised only at a meeting of the Board, and, when so required, with the consent of all the Directors present at the meeting.

Delegation of powers to a Committee, or to Managing Director, etc.

156. (1) Without prejudice to the general powers of the Board, but subject, nevertheless, to Section 292 and other applicable provisions of the Act, and to Article 154 of these Articles, the Board may delegate any of its powers to a Committee or Committees of the Board (consisting of such member or members of its body as it thinks fit), or to the Managing Director, or to any principal officer of the Company.

(2) Every Committee of the Board, or the Managing Director, or the principal officer, shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it or him by the Board.

(3) The Board may at any time withdraw all or any of the powers so delegated, but this shall be without prejudice to anything validly done by the Committee, or by the Managing Director, or by the principal officer, in exercise of the powers previously delegated.

157. (1) The Board may, from time to time and at any time, and subject to the provisions of Section 292 and other applicable provisions of the Act and to the provisions contained in these Articles, by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Board, 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 Board under these Articles), and for such period and subject to such conditions and limitations as the Board may think fit.

Powers of Attorney.

(2) Any such powers of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

(3) The Board may at any time withdraw or cancel the power of attorney, but this shall be without prejudice to anything validly done by the attorney in exercise of the power previously given to him.

158. Any excessive or irregular exercise of powers by a Committee, or by the Managing Director, or by a principal officer, or by an attorney, as the case may be, may however be ratified by the Board.

Ratification of irregularities.

159. (1) The Board may contribute such amount as it thinks fit to the National Defence Fund or any other Fund approved by the Central Government for the purpose of National Defence.

Power to contribute to charitable and other funds.

(2) The Board may also contribute, in any financial year, to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts up to an aggregate of fifty thousand rupees, or five per cent of the average net profits of the Company during the three financial years immediately preceding, whichever is greater, (the net profits being determined in accordance with the provisions of Sections 349 and 350 of the Act). The Board shall not contribute any amount in excess of these limits, except with the consent of the Company in general meeting, as provided by Section 293 of the Act.

(3) Neither the Board, nor the Company in general meeting, shall contribute any amount or amounts (a) to any political party, or (b) for any political purpose to any individual or body, as per the prohibition contained in Section 293A of the Act—unless such prohibition is abrogated or relaxed by an amendment of the Act, and, if relaxed, to the extent of such relaxation.

160. (1) A sole selling agent for any area, or a sole agent for the buying or purchasing of goods on behalf of the Company, shall not be appointed, except with the consent of the Company accorded by a special resolution and the approval of the Central Government.

Restrictions on power to appoint sole selling agents and sole buying agents.

(2) Notwithstanding anything contained in clause (1) of this Article, an individual, firm or body corporate, who or which has a substantial interest in the Company, (the expression "substantial interest" being as defined in the Explanation to Section 294AA of the Act), shall not be appointed a sole selling agent for any area, or a sole agent for the buying or purchasing of goods on behalf of the Company, unless such appointment has been previously approved by the Central Government.

(3) The Board shall not appoint a sole selling agent for any area, except subject to the conditions that the appointment shall cease to be valid if it is not approved by the Company in the first general meeting held after the

date on which the appointment is made. If the Company in general meeting as aforesaid disapproves the appointment, it shall cease to be valid with effect from the date of that general meeting.

(4) In respect of the appointment of a sole selling agent for any area, or a sole agent for the buying or purchasing of goods on behalf of the Company, the provisions of Sections 294 and 294AA of the Act shall apply.

(5) Compensation for the loss of his office to a sole selling agent shall not be paid in the cases mentioned in Section 294A of the Act, and, where otherwise payable, it shall not exceed the limits set out in the said Section 294A.

Prohibition or limitation of payment to sole selling agent for loss of office.

Restrictions on giving of loans, guarantee or security to a Director, etc.

161. (1) Without obtaining the previous approval of the Central Government in that behalf, the Board shall not, directly or indirectly, make any loan to a Director of the Company or of a company which is its holding company, or to his relative or partner, or to a firm or a private company or a body corporate in which the Director or relative or partner is interested in the manner and to the extent described in sub-section (1) of Section 295 of the Act.

(2) The same restrictions shall apply to the giving of any guarantee or providing any security in connection with a loan made by any other person to, or to any other person by, such director, relative, partner, firm, private company or body corporate.

(3) The provisions of the said Section 295 shall apply in respect of such loans, guarantees and securities.

Exception in respect of loans, etc. to subsidiary.

(4) The provisions of clauses (1) and (2) of this Article shall not apply to any loan made by the Company to its subsidiary, or to any guarantee given or security provided by the Company in respect of any loan made to its subsidiary.

SPECIAL PROVISIONS AS REGARDS BORROWING POWERS

Power to borrow.

162. Subject to the provisions of Sections 292 and 293 of the Act, the Board may, from time to time, at its discretion by a resolution passed at a meeting of the Board, accept deposits and loans, temporary or on call, from shareholders or from the public, 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 purpose of the Company : Provided, however, where the moneys to be borrowed together with the moneys already borrowed (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 (not being reserves set apart for any specific purpose), the Board shall not borrow such moneys without the consent of the Company in general meeting.

Compliance with certain Rules and Directives.

163. The Company shall, in respect of the acceptance of loans and deposits, comply with the provisions of Sections 58A and 58B of the Act, and the provisions of the Companies (Acceptance of Deposits) Rules, 1975, or any amendment thereof for the time being in force, and also the Directives (if any in force) issued by the Reserve Bank of India under the Reserve Bank of India Act, 1934, as may be applicable.

Securing repayment of moneys borrowed.

164. (1) Subject to the other provisions of this Chapter, the repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions as the Board may think fit; and, where the moneys are borrowed with the consent of the Company in general meeting, then the repayment shall be

secured in such manner and upon such terms and conditions in all respects as the resolution of the Company in that behalf may prescribe; including by the issue of bonds, perpetual or redeemable, mortgage or charge or other security, or debentures or debenture-stock charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

(2) The debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

165. (1) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending at general meetings, appointment of Directors and otherwise.

Terms of issue of Debentures.

(2) Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting accorded by a Special Resolution.

(3) The Company shall not issue any debentures carrying voting rights at any meeting of the Company, whether generally or in respect of particular classes of business.

166. (1) If any uncalled capital is included in or charged by any mortgage or other security, the Board may authorise the person in whose favour such mortgage or security is executed, or any other person in trust for him, to make calls on the Members in respect of such uncalled capital.

Authority to make calls, where uncalled capital is mortgaged.

(2) The provisions hereinbefore contained in regard to calls shall, *mutatis mutandis*, apply to calls made under such authority.

(3) Such authority may be made exercisable either conditionally or unconditionally, and either presently or contingently, and either to the exclusion of the Board's powers or otherwise, and shall be assignable if expressed so to be.

167. Every bond, obligation, debentures or other security issued by the Company for raising money or for securing money borrowed by or due from the Company shall be under the common Seal of the Company and signed as hereinafter stated in Article 223.

Execution of Securities.

168. The Board may from time to time make such regulations for controlling the transfer of any bond, debentures or other security as they may deem expedient, provided that no such regulation shall affect the holder or transferee of any bond, debenture or other security unless distinct notice of such regulation shall appear thereon.

Transfer of Securities.

169. For the purpose of securing the payment of any such bonds, debentures or other securities as aforesaid, or the payment with interest of any money so borrowed as aforesaid, or payable under any contract or otherwise, the Board may make and carry into effect any arrangement which they may deem expedient by assigning or conveying any property of the Company (including its uncalled capital) to Trustees.

Interposition of Trustees.

170. Unless otherwise resolved by the Company in general meeting, any debentures which may be issued under these Articles may be so framed that the principal moneys and interest thereby secured shall be payable to bearer and free from any equities as between the Company and the persons to whom the same may be issued.

Debentures payable to bearer.

Issue of debentures at a discount.

171. Unless otherwise resolved by the Company in general meeting, the Board may, for the purpose of raising or borrowing money, issue debentures of the Company at a discount of not more than two and a half per cent.

Security to be given to indemnify Directors.

172. Subject to the provisions of the Act and these Articles, if the Directors or any of them shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Board 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 Director or Directors so becoming liable as aforesaid from any loss in respect of such liability.

REGISTRATION OF CHARGES

"Charge" to include mortgage.

173. In this chapter the word "charge" includes a mortgage.

Registration of charges.

174. (1) Every charge created by the Company, and being a charge to which Section 125 or Section 127 of the Act applies, shall be filed with the Registrar of Companies for registration in the manner required by the Act and within a period of thirty days as mentioned in those Sections. For this purpose, there shall be filed with the Registrar the particulars of the charge, together with the instrument by which the charge is created or evidenced, or a copy thereof verified in the prescribed manner.

(2) The provisions of Sections 125, 127, 128 and 129 of the Act shall be complied with by the Company in regard to the registration of charges and the furnishing of particulars to the Registrar.

Registrar's certificate to be endorsed.

175. Every debenture or certificate of debenture-stock issued by the Company, the payment whereof is secured by a charge requiring registration under the Act, shall be endorsed with a copy of the Registrar's certificate of registration issued to the Company under Section 132 of the Act.

Copies of charges to be kept at registered office.

176. (1) A copy of every instrument creating any charge requiring registration under the Act shall be kept at the registered office of the Company. In the case of a series of uniform debentures, a copy of one debenture of the series shall be sufficient.

The Company's Register of Charges.

(2) The Company's register of charges, which shall be kept by the Company at its registered office, shall contain all the charges and all the particulars required to be mentioned therein under Section 143 of the Act.

Inspection.

(3) The Company's register of charges and copies of instruments creating charges shall be open to inspection by members and creditors of the Company, without fee, at the registered office, for reasonable periods during business hours.

(4) The Company's register of charges shall also be open to inspection by any person (other than members and creditors of the Company) on payment of a fee of one rupee for each inspection, at the registered office, for reasonable periods during business hours.

Satisfaction of the charge.

177. The Company shall give to the Registrar intimation of the payment or satisfaction, in full, of any charge relating to the Company and requiring registration under the Act, within thirty days from the date of such payment or satisfaction. The Company shall be entitled to obtain from the Registrar, a copy of any memorandum made by him in his register of charges in regard to the satisfaction, in whole or in part, of a charge relating to the Company.

CERTAIN DUTIES AND RIGHTS OF DIRECTORS

178. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board, in the manner mentioned in sub-section (2) of Section 299 of the Act; Provided that nothing in this Article shall apply to any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company holds, or two or more of them together hold, not more than two percent of the paid-up share capital in such other company.

Disclosure of Director's interest in a contract or arrangement.

179. For the purposes of the previous Article, a general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for a further period of one financial year at a time, by a fresh notice given in the last month of the financial year in which it would otherwise expire. No such general notice, and no renewal thereof, shall be of effect unless either it is given at a meeting of the Board, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

General notice of interest may be given, and renewed annually.

180. (1) Every Director of the Company shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to keep a Register of Directors' Shareholdings, etc., as required under Section 307 of the Act. Every such notice shall be given in the manner and in compliance with sub-section (2) of Section 308 of the Act.

Disclosure by Director of his shareholdings, etc.

(2) The provisions of clause (1) of this Article shall apply also to every person deemed to be a director of the Company by virtue of sub-section (10) of Section 307 of the Act.

181. (1) Every Director of the Company (including the Managing Director) who is appointed to, or relinquishes, the office of director, managing director, manager or secretary of any other body corporate, shall, within twenty days of his appointment to, or as the case may be, relinquishment of, such office, disclose to the Company (as required by Section 305 of the Act) the particulars relating to the office in the other body corporate which are required to be specified in the Register of Directors maintained by the Company under sub-section (1) of Section 303 of the Act.

Disclosure by Director of certain particulars concerning himself.

(2) The provisions of clause (1) of this Article shall also apply to a person deemed to be a Director of the Company by virtue of the Explanation to sub-section (1) of Section 303 of the Act, when such person is appointed to, or relinquishes, any of the offices in the other body corporate referred to in clause (1) of this Article.

(3) The duty of disclosure to be made by a Director, as mentioned in clause (1) of this Article, shall extend also to the Manager and the Secretary of the Company.

Extension of the duty to Manager and Secretary.

182. (1) Except with the consent of the Board, a Director of the Company or his relative, or a firm in which such Director or relative is a partner, or any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company, (a) for the

When may a Director contract with the Company.

sale, purchase or supply of any goods, materials or services; or (b) for underwriting the subscription of any shares in or debentures of the Company:

Provided that in case the paid-up share capital of the Company having exceeded rupees one crore, no such contract shall be entered into except with the previous approval of the Central Government.

(2) The provisions of clause (1) of this Article shall be subject to the exceptions and limitations mentioned in sub-sections (2) and (3) of Section 297 of the Act.

(3) The consent of the Board required under clause (1) of this Article shall be accorded by a resolution passed at a meeting of the Board, and not otherwise. The consent shall not be deemed to have been given unless it is accorded either before the contract is entered into or within three months of the date on which it was entered into. If consent is not accorded to any contract under this Article, anything done in pursuance of the contract shall be voidable at the option of the Board.

Director may act in professional capacity.

183. A Director may act by himself or by his firm in a professional capacity for the Company. Subject to the provisions of the Act, he or his firm shall be entitled to remuneration for professional services as if he were not a Director: Provided that nothing herein contained shall authorise a Director or his firm to act as auditor of the Company.

Director may be Director of any other body corporate.

184. Subject to the provisions of the Act, a Director of the Company may be or become a director of any other body corporate promoted by the Company, or in which the Company may be interested as a vendor, shareholder, or otherwise; and no such Director shall be accountable for any benefits received as director of such body corporate.

Interested Director not to participate or vote in Board's proceedings.

185. (1) No Director shall, as a Director, take any part in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and, if he does vote, his vote shall be void.

(2) Clause (1) of this Article shall not apply to :—

- (i) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company; and
- (ii) any contract or arrangement entered into or to be entered into by the Company with a public company, or with a private company which is a subsidiary of a public company, in which the interest of the Director is nominal only, or in which he holds not more than two per cent of its paid-up share capital;

as provided in sub-section (2) of Section 300 of the Act.

PROCEEDINGS OF THE BOARD

Meetings of the Board.

186. (1) The Board of Directors may meet for the despatch of business, adjourn, and otherwise regulate its meetings and proceedings, as it thinks fit.

(2) A meeting of the Board shall be held at least once in every three months, and at least four such meetings shall be held in every year.

187. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

When meeting to be convened.

188. 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.

Notice of meetings.

189. (1) The quorum for a meeting of the Board 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 :

Quorum.

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 number of the Directors who are not interested), present at the meeting, being not less than two, shall be the quorum during such time.

(2) The expressions "total strength" and "interested Director" shall be as defined in sub-section (1) of Section 287 of the Act.

190. The continuing Directors may act notwithstanding any vacancy in the Board, but, if and so long as their number is reduced below the quorum fixed by clause (1) of Article 189 for a meeting of the Board, the continuing Director or Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

When number reduced below quorum.

191. If a meeting of the Board could not be held for want of quorum, then the meeting shall stand adjourned to such other date and time as may be fixed by the chairman of the meeting, not being later than fourteen days from the date originally fixed for the meeting.

Adjournment of meeting for want of quorum.

192. (1) The Board shall elect one of its number to be the Chairman of the Board, and may also elect one of its number to be the Vice-Chairman of the Board; and the Board shall determine the period for which each of them is to hold such office.

Chairman and Vice-Chairman of the Board.

(2) If at any meeting of the Board, the Chairman of the Board, is absent, the Vice-Chairman of the Board shall be the chairman of the meeting; and if both of them are absent, or are not present within fifteen minutes after the time appointed for holding the meeting, or if no Chairman or Vice-Chairman of the Board has been elected, the Directors present may choose one of their number to be the chairman of the meeting of the Board.

193. (1) Save as hereinafter mentioned in clause (2) of this Article, all questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

Decisions on questions arising at a Meeting of the Board.

(2) Notwithstanding anything stated in clause (1) above, certain resolutions shall be passed only with the consent of all the Directors present at the meeting. These are :—(i) a resolution making or approving the appointment or employment of a person as the Managing Director of the Company who is already the managing director or manager of any other company, (as referred to in sub-section (2) of Section 316 of the Act); (ii) a resolution sanctioning the investment in the shares or debentures of any other body corporate, (as referred to in sub-section (5) of Section 372 of the Act); and (iii) any other resolution which by the Act or by these Articles may be specifically required to be passed only with the consent of all the Directors present at the meeting.

Defects in appointment, not to affect acts of Board.

194. All acts done at any meeting of the Board, or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them was disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

Passing of resolutions by circulation.

195. Save as otherwise expressly provided in the Act, a resolution circulated in draft together with the necessary papers (if any), as required by Section 289 of the Act, 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 approved by a majority of all such Directors as are then in India or by a majority of such of them as are entitled to vote on the resolution, shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.

PROCEEDINGS OF A COMMITTEE OF THE BOARD

Assimilation of Board's proceedings to proceedings of a Committee.

196. (1) Subject to any regulations which the Board may impose on a Committee of the Board, the Committee may meet for the transaction of its business, adjourn, and otherwise regulate its meetings and proceedings, as it thinks fit.

(2) A Committee shall meet as often as may be necessary; and shall present its Report to the Board within the period (or extended period) specified by the Board, or, if no period is specified, then within a reasonable time.

(3) Unless the Board has appointed a particular Director to be the Chairman of any Committee, the members of a Committee may elect one of their number to be the chairman of its meetings. If the chairman, whether appointed or elected, is not present, the members present may choose one of their number to be the Chairman of the meeting.

(4) The quorum for a meeting of the Committee shall be as may have been fixed by the Board, and, if not fixed, then it shall be one-third of its total strength, or one Director, whichever is higher.

(5) The provisions of Articles 194 and 195 shall apply, also, to all acts done at a meeting of a Committee, and to the passing by the Committee of resolutions by circulation.

(6) Other provisions hereinabove contained relating to Proceedings of the Board shall apply, to the extent to which they may be applicable, and with such modifications as the context may require, to proceedings of a Committee of the Board.

MINUTES, AND FILING OF RETURNS AND DOCUMENTS, AFTER THE CONCLUSION OF GENERAL, BOARD AND COMMITTEE MEETINGS

Minutes, and Minute-Books

197. (1) The Company shall cause minutes of all proceedings of every general meeting and of all proceedings of every meeting of its 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, in the manner mentioned in and according to the requirements of Section 193 of the Act :

Provided that, if the Central Government on an application made to it for this purpose so permits, the Company may maintain the minutes of general meetings and of Board meetings in loose-leaf form, each page of which to be serially

numbered and duly initialed by the Chairman of the meeting concerned, and the leaves to be got bound up at reasonable intervals. The Company shall comply with such terms and conditions as the Central Government may have imposed in this behalf.

(2) Minutes of meeting kept in accordance with the provisions of sub-clause (1) of this Article, shall be evidence of the proceedings recorded therein, and (until the contrary is proved) the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and, in particular, all appointments of Directors and Officers made at the meeting shall be deemed to be valid.

(3) The books containing the minutes of the proceedings of any general meeting shall be kept at the Registered Office of the Company, and shall be open for inspection by any member, without charge, as mentioned in Section 196 of the Act, during business hours on any working day. The Board may prescribe the time, being not less than two hours in each day, when such inspection would be allowed.

(4) Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in clause (3) of this Article, on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.

198. (1) The Company shall, within sixty days from the day on which the Annual General Meeting was held, prepare and file with the Registrar of Companies, an Annual Return containing the particulars mentioned in Section 159 and Schedule V of the Act. The Annual Return shall be signed both by a Director and by the Manager or Secretary of the Company, or, where there is no manager or secretary, by two Directors, one of whom shall be the Managing Director where there is one.

(2) Along with the Annual Return, there shall also be filed with the Registrar, a certificate signed by the persons, and containing the particulars, mentioned in sub-section (2) of Section 161 of the Act.

199. (1) Where the Balance-Sheet and the Profit and Loss Account have been laid before the Company at an Annual General Meeting as required by Section 210 of the Act, there shall be filed with the Registrar within thirty days from the date on which they were so laid, three copies of the Balance-Sheet and the Profit and Loss Account signed by the persons mentioned in sub-section (1) of Section 220 of the Act, together with three copies of all documents which are required by the Act to be annexed or attached to such Balance-Sheet or the Profit and Loss Account.

(2) Where the Annual General Meeting of the Company for any year has not been held, then the three copies of the Balance-Sheet and the Profit and Loss Account and the three copies of the documents referred to in clause (1) of this Article shall be filed with the Registrar within thirty days from the latest day on or before which that meeting should have been held in accordance with the provisions of the Act.

(3) If the Annual General Meeting before which the Balance-Sheet is laid as aforesaid does not adopt the Balance-Sheet, or if the Annual General Meeting for any year has not been held, then a statement of that fact and of the reasons therefor shall be annexed to the Balance-Sheet and to the copies thereof required to be filed with the Registrar.

Evidentiary value of minutes.

Members entitled to:

(i) Inspection of Minute-Books of general meetings.

(ii) and to copies of extracts therefrom.

Filing of Annual Return; and Certificate.

Filing of Balance-Sheet and Profit and Loss Account:
(i) where A.G.M. held.

(ii) where A.G.M. not held.

(iii) where Balance-Sheet not adopted.

Filing of certain Resolutions and Agreements.

200. (1) The Company shall file with the Registrar a certified copy of every such Resolution (together with a copy of the explanatory statement relating thereto), and a copy of every such Agreement, as is referred to in Section 192 of the Act. The copies shall be filed within the time mentioned in, and according to the requirements of the said Section.

(2) Without prejudice to the aforesaid generality, copies of every Special Resolution, and of the Explanatory Statement relating thereto, shall be filed with the Registrar, within thirty days, as aforesaid.

Copies to be annexed to the Articles.

(3) A copy of every resolution which has the effect of altering these Articles, and a copy of every Agreement referred to in clause (1) of this Article, for the time being in force, shall be embodied in or annexed to every copy of the Articles issued after the passing of the resolution or the making of the Agreement.

MANAGEMENT

Prohibition of simultaneous appointment of different categories of managerial personnel.

201. (1) Notwithstanding anything contained in these Articles, and as provided in Section 197A of the Act, neither the Company nor the Board shall appoint or employ, at the same time, more than one of the following categories of managerial personnel, namely :—

- (a) Managing Director of the Company; and
- (b) General Manager or Manager of the Company who, subject to the superintendence, control and directions of the Board, has the management of the whole or substantially the whole of the affairs of the Company.

(2) Nothing in clause (1) shall preclude the Company from appointing more than one person pertaining to the same category of managerial personnel.

(3) Nothing in clause (1) shall preclude the Board from appointing one or more persons as mill manager, or factory manager, or production manager, or sales manager, or personnel manager, or estates manager, or branch manager, or the like, and to entrust to each of these executives such specific powers and duties as the Board may think fit.

Power Manag or Wh Direct

Article 202(1) has been numbered as Article 202 and also altered by a Special Resolution passed at the Fifty-First Annual General Meeting of the Company held on 28th July 2005.

202. Subject to the provisions of Sections 267, 269 and other applicable provisions of the Act, the Board may from time to time appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall be included a Joint Managing Director) or Whole-time Director or Whole-time Directors of the Company, for such term not exceeding five years at a time as they may think fit, to manage the affairs and business of the Company, 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.

Person be app Manag Direct manag or mar aonthe

Article 202(2) has been deleted by a Special Resolution passed at the Fifty-First Annual General Meeting of the Company held on 28th July 2005.

(2) The Company may, however, appoint or employ a person as its Managing Director if he is the managing director or manager of one but not more than one other company (including a private company which is not a subsidiary of a public company): Provided that such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the Directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the Directors then in India, as required by sub-section (2) of Section 316 of the Act: Provided further, that the Central Government may permit any person to be appointed as the Managing Director of more than two companies under the provisions of sub-section (4) of Section 316 of the Act.

Exceptions.

204. (1) The Company shall not appoint or employ any person as its Managing Director for a term exceeding five years at a time.

Appointment not to be made for more than five years at a time.

(2) A Managing Director may be re-appointed, or re-employed, or the term of his office may be extended, for further periods not exceeding five years on each occasion: Provided that any such re-appointment, re-employment, or extension shall not be sanctioned earlier than two years from the date on which it is to come into force.

205. (1) A Managing Director shall not, whilst he continues to hold that office, be subject to retirement by rotation under Article 132. But, subject to the provisions of any contract between him and the Company, the provisions of Articles 147 and 149 relating to removal and resignation shall be applicable to him, as to any other Director of the Company. If his office as Director becomes vacant from any cause, then he shall *ipso facto* and immediately cease to be the Managing Director.

When holding of office ceases, in case of:

(i) Managing Director.

(2) A Whole-time Director while continuing to hold that office shall be subject to retirement by rotation and be also subject to the provisions of Articles 147 and 149 relating to removal and resignation like any other Director of the Company. If his office as Director becomes vacant from any cause, or, if holding any office or employment under the Company, he ceases to hold such office or his employment is terminated due to any cause whatever, then he shall *ipso facto* and immediately cease to be a Whole-time Director.

(ii) Whole-time Director.

206. A Managing Director and a Whole-time Director shall, subject to the provisions of Section 309 of the Act, receive such remuneration (whether by way of salary, or commission, or a specified percentage of the net profits of the Company, or partly by one way and partly by the other) as the Board may determine. The "net profits" shall be computed in the manner laid down in Sections 349 and 350 of the Act.

Remuneration of Managing and Whole-time Director.

207. (1) The Board may, subject to the provisions of Section 292 of the Act, entrust to and confer upon a Managing Director any of the powers exercisable by it upon such terms and conditions and with such restrictions as it may think fit, and either collaterally with or to the exclusion of its own powers, and may from time to time revoke, withdraw, alter or vary all or any such powers.

Powers of:

(i) Managing Director.

(2) A Whole-time Director shall have such powers as the Board may, subject to the provisions of Section 292 of the Act, delegate to him. He shall perform and discharge such duties and functions as may from time to time be assigned to him by the Board.

(ii) Whole-time Director.

Appointment,
remuneration,
and removal of
Manager of the
Company.

208. (1) Subject to the provisions of Sections 385, 386, 387 and 388 of the Act, the General Manager or Manager of the Company may be appointed by the Board for such term, on such remuneration (either by way of a fixed salary or by way of commission or of a specified percentage of the net profits of the Company computed in the manner laid down in Sections 349 and 350 of the Act, or partly by the one way and partly by the other), and upon such conditions, as it may think fit. The General Manager or Manager may, subject to any agreement entered into between him and the Company, be removed by the Board.

(2) In making the appointment of the General Manager or Manager of the Company, and in fixing his term of office, and in determining the remuneration or making any increase in remuneration on re-appointment, the provisions of Sections 269, 310, 311 and 317 of the Act shall be complied with by the Company.

Whole-time
Secretary.

209. (1) The Board shall from time to time appoint any individual as a Whole-time Secretary of the Company, on such remuneration and upon such conditions as it may think fit, to perform the duties and functions which may be performed by a Secretary under the Act, and any ministerial or administrative duties, and also any other duties which may from time to time be assigned to him by the Board. The individual who is appointed the Whole-time Secretary of the Company shall possess the qualifications prescribed under the Companies (Secretary's Qualifications) Rules, 1975, or any modification thereof for the time being in force.

(2) Any Secretary so appointed may be removed by the Board at any time, and some other individual may be appointed in his place as the Whole-time Secretary.

(3) Where the Secretary is absent on leave or if for any reason he is not capable of acting, then any assistant or deputy Secretary, or any other officer or executive of the Company authorised generally or specially in that behalf by the Managing Director or by the Board, may temporarily perform the duties of a Secretary, and may be required to keep in his charge the Minute-Books and the Registers which under the Act are required to be maintained by the Company.

Management
in specified
localities.

210. The Board may from time to time provide for the management and transaction of the affairs of the Company in any specified locality, whether in India or abroad, in such manner as it may think fit; and the provisions contained in the three next following Articles shall be without prejudice to the general powers conferred by this Article.

Local Manager.

211. The Board may from time to time appoint (subject to the provisions of Section 269 of the Act, if applicable) any person or persons (including any member or members of their own body) as it may think fit, to act as the Local Manager or Managers of the Company; and such appointments may be either for a fixed term or without limitation as to the period of office; and the Board may from time to time (subject to any contract between the Company and him or them) remove or dismiss him or them from office and appoint another or others in his or their place.

Local Board
or agency.

212. The Board may, from time to time, and at any time, establish any local board, committee or agency for managing the affairs of the Company in any such specified locality, and may appoint (subject to the provisions of Section 269 of the Act, if applicable,) any persons to be members of such local board or committee, or managers or agents. And the Board may, subject to the provisions of Section 292 of the Act, from time to time, and at any time,

delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than the power to make calls, and may authorise the members for the time being of any such local board or committee, 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 Board may think fit. And the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

213. The remuneration of the Local Manager, and of a local board, committee or agency, shall from time to time be fixed by the Board, and may be either by a fixed salary or by a commission or percentage on profits or partly by the one way and partly by the other, as the Board may determine.

Remuneration of Local Manager, and of local board, committee or agency.

214. (1) In the course of Management, the following Registers shall be maintained by the Company :—

Maintenance of Registers.

- (a) Register of Members containing the particulars mentioned in Section 150 of the Act, (and which is referred to in Article 25).
- (a-1) Register of Renewed and Duplicate Certificates of shares, (which is referred to in clause (2) of Article 25).
- (b) Register of Debenture-holders containing the particulars mentioned in Section 152 of the Act, (and which is referred to in Article 25).
- (c) Register of Directors, Managing Directors, Manager and Secretary of the Company containing the particulars mentioned in Section 303 of the Act, (and which is referred to in Article 181).
- (d) Register of the Holdings of Shares and Debentures (both in the Company and in any other body corporate which is the Company's subsidiary or holding company or a subsidiary of the Company's holding company) by Directors, Managing Directors and Manager of the Company containing the particulars mentioned in Section 307 of the Act, (and which is referred to in Article 180).
- (e) Register of Contracts and Arrangements in which Directors are directly or indirectly concerned or interested, containing the particulars mentioned in Section 301 of the Act, (and which contracts and arrangements are referred to in Article 178).
- (f) The Company's Register of Charges containing the particulars mentioned in Section 143 of the Act, (and which is referred to in clause (2) of Article 176).
- (g) Register of Investments made by the Company in the shares and debentures of other bodies corporate, containing the particulars mentioned in sub-section (6) of Section 372 of the Act.
- (h) Register of Investments in the shares and debentures of other bodies corporate held by the Company not in its own name but in the name or names of any nominee or nominees of the Company, containing the particulars mentioned in sub-section (7) of Section 49 of the Act.
- (i) Register of Loans made, Guarantees given or Securities provided by the Company to other bodies corporate under the same Management containing the particulars mentioned in sub-section (1-C) of Section 370 of the Act.

(j) Any other Register which it is obligatory for the Company to maintain under any other provision of the Act or of any Rules made thereunder.

(2) The following Registers may also be kept by the Company :—

(a) A "Foreign Register" kept in any state or country outside India of members and debenture-holders resident in that state or country, as referred to in Article 26.

(b) A Register of Transfers Received, as referred to in Article 43.

Indexes of
Members and
Debenture-
holders.

215. Unless the Register of Members or the Register of Debenture-holders is in such a form as in itself to constitute an index, the Company shall keep an Index of Members and an Index of Debenture-holders (which may be in the form of a card index) containing the names of the members, and of the debenture-holders, as the case may be, of the Company, and containing a sufficient indication to enable the entries relating to each member, or to each debenture-holder, in the respective Registers, to be readily found, as required by Sections 151 and 152 of the Act.

Place of keeping
the Registers and
Indexes.

216. The Registers and Indexes referred to in Articles 214 and 215, except the Foreign Register, shall be kept at the Registered Office of the Company : Provided that the Registers and Indexes of Members and of Debenture-holders, or any of them, may, instead of being kept at the registered office, be kept at any other place within the city in which the registered office is situate, if such other place has been approved for this purpose by a special resolution passed by the Company in general meeting, and the Registrar of Companies has been given in advance a copy of the proposed special resolution.

Place of keeping
copies of Annual
Returns, etc.

217. Copies of all Annual Returns prepared under Section 159 of the Act and referred to in Article 198, together with copies of certificates and documents required to be annexed thereto under Section 161 and Schedule V of the Act, shall be kept at the Registered Office of the Company, subject to the same Proviso as is mentioned in the last preceding Article.

Inspection of:

(i) Register of
Members,
etc.

218. (1) The Registers of Members and Debenture-holders, Indexes, copies of Annual Returns and of certificates and other documents required to be annexed thereto, shall, (except when the Register of Members or Debenture-holders is elosed under the provisions of Section 154 of the Act), be open, for reasonable periods, during the business hours, to the inspection of any member or debenture-holder without fee, and to the inspection of any other person on payment of a fee of Rupee one for each inspection.

(ii) Other
Registers

(2) The following Registers, namely, (i) the Register of Directors, etc., (ii) the Register of Holdings of Shares and Debentures by Directors, etc., (iii) the Register of Contracts and Arrangements in which Directors are interested, (iv) the Company's Register of Charges, (v) the Register of Investments made by the Company, (vi) the Register of Investments made in the name of the nominee of the Company, and (vii) the Register of Loans, Guarantees, etc., given or provided by the Company, shall also be open to the inspection of the persons, and during the periods, mentioned in Sections 304, 307(5), 301(5), 144, 372(9), 49(8), and 370 (1F) of the Act, respectively.

Making Extracts
or obtaining
copies of:

(i) Register of
Members,
etc.

219. (1) Any member, debenture-holder or other person may —

(a) make extracts from the Registers, the Indexes, and from the copies of Annual Returns, certificates and other documents, referred to in clause (1) of Article 218, without fee or additional fee ; or

(b) require a copy of any such Register, any such Index, or any such copy of an Annual Return, certificate or document, as is referred to in clause (1) of Article 218, or of any part thereof, on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied. If a copy is required by any person to be sent to him, the Company shall do so within a period of ten working days, as mentioned in sub-section (4) of Section 163 of the Act.

(2) Extracts from the following Registers, namely, (i) the Register of Contracts and Arrangements mentioned in Section 301, (ii) the Register of Investments mentioned in Section 372, and (iii) the Register of Loans, etc., mentioned under Section 370, of the Act, may be taken and copies thereof may be required by any member of the Company to the same extent and in the same manner and on the payment of the same fees as in the case of Register of Members as specified in clause (1) of this Article.

(ii) Other Registers.

220. The Registers of Members and Debenture-holders and the copies of Annual Returns and certificates and documents referred to in clause (1) of Article 218, shall be *prima facie* evidence of any matters directed or authorised to be inserted therein by the Act.

Evidentiary value of entries in the Register of Members, etc.

221. The Board may at any time rectify any mistake or omission in the Register of Members and of Debenture-holders, if it has sufficient cause for such rectification. But this power of the Board shall not prejudice the right of a person aggrieved to make an application to the Court for rectification, as provided in Section 155 of the Act.

Rectification of Register of Members and Debenture-holders.

222. (1) The Company shall preserve, or may dispose of (whether by destruction or otherwise) after a period of time, the Registers of Shareholders and Debenture-holders, the Indexes of Members and Debenture-holders, the copies of Annual Returns, and copies of all certificates and documents required to be annexed thereto, as may be prescribed by the Central Government by "The Companies (Preservation and Disposal of Records) Rules, 1966," or any modification thereof for the time being in force.

Preservation and disposal of books, Register of Members, etc.

(2) Subject as aforesaid, the Register and Index of Members shall be preserved permanently; the Register and Index of Debenture-holders may be destroyed after fifteen years from the date of redemption of the relevant debentures; and copies of all Annual Returns and copies of all certificates and documents required to be annexed thereto may be destroyed after eight years from the date of filing with the Registrar of Companies. In respect of the documents destroyed, the provisions of the said Rules shall be complied with by the Company.

(3) All books and documents relating to the issue of share certificates shall be preserved in good order permanently; and all certificates surrendered to the Company shall immediately be defaced by the word "cancelled" being stamped or punched in bold letters, and may be destroyed after the expiry of three years from the date on which they are surrendered, under the authority of a resolution of the Board and in the presence of a person duly appointed by the Board in this behalf;—in both cases, as provided by "The Companies (Issue of Share Certificates) Rules, 1960," or any modification thereof for the time being in force.

Preservation and disposal of books and documents relating to share certificates.

(4) Preservation of Books of Account and relevant vouchers shall be regulated by Article 232; and of Transfer Deeds, by Article 52.

Preservation of Books of Account, etc., and of Transfer Deeds.

The Seal,
its custody and
use.

223. (1) The Board shall provide for the safe custody of the Seal. The Board shall have power from time to time to destroy the Seal and substitute a new Seal in lieu thereof. The Company shall have its name engraven in legible characters on its Seal.

(2) The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf. Except in the case of certificates of title to shares, the Seal shall be affixed (unless and until the Board shall otherwise determine) in the presence of at least one Director and of such other person as the Board may appoint for the purpose. Unless otherwise determined by the Board, one Director and the other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

(3) In the case of a share certificate, the Seal shall be affixed in the presence of, and shall be signed by, the persons referred to in clause (2) of Article 20.

Official Seal for
use outside India.

224. (1) The Company may also have, for use in any territory, district or place situate outside India, an official Seal which shall, as required by Section 50 of the Act, be a facsimile of the common Seal of the Company, with the addition on its face of the name of the territory, district or place where it is to be used.

(2) If the Company has an official Seal for use in any territory, district or place situate outside India, the Company may, by writing under its common Seal, authorise any person appointed for the purpose in that territory, district or place to affix the official Seal to any deed or other document to which the Company is a party in that territory, district or place.

Seal not required
for authentication
of documents and
proceedings.

225. Save as otherwise expressly provided in the Act or in these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director or a Managing Director or the Manager or the Secretary or other authorised officer of the Company, and need not be under its Seal.

Restrictions on
the appointment:

(i) of firm or
body
corporate to an
office of profit
under the
Company.

226. (1) The Company shall not appoint or employ any firm or body corporate to or in any office or place of profit under the Company for a term exceeding five years at a time, or, with the approval of the Central Government, for a term not exceeding ten years. But this restriction shall not apply to the appointment or employment of a firm or body corporate as a technician or a consultant; nor to an appointment to the office of Trustee for debenture-holders of the Company. The provisions of Section 204 of the Act shall apply to such appointment or employment, and to the re-appointment or re-employment or extension of the term of office of a firm or body corporate.

(ii) of the
erstwhile
Managing
Agents or their
associates as
consultant or
adviser.

(2) The appointment of the erstwhile Managing Agents of the Company or any associate of the said Managing Agents to the office of consultant or adviser or to any other office by whatever name called, shall be subject to the restrictions contained in, and to the provisions of Section 204A of the Act.

(iii) of individual,
firm or body
corporate as
sole selling or
buying agent.

(3) The appointment of an individual, firm or body corporate as a sole selling agent for any area, or as a sole agent for the buying or purchasing of goods on behalf of the Company, shall be subject to the restrictions set out in Article 160, and to the provisions of Sections 294 and 294AA of the Act. In seeking approval of the Central Government under Section 294AA of the Act, the Company shall comply with the provisions of "The Companies (Appointment

of Sole Agents) Rules, 1975", or any modification thereof for the time being in force.

227. (1) An Abstract of the terms of a contract for the appointment of a Managing Director, or of variation of any such contract already in existence, shall be sent by the Company to every Member within twenty-one days from the date of entering into the contract or of the varying of the contract, as the case may be. Along with the Abstract, there shall also be sent a Memorandum clearly specifying the nature of the concern or interest of any other Director in such contract or variation, as required by Section 302 of the Act.

Abstract and Memorandum disclosing Director's interest in appointment of Managing Director or Manager.

(2) An Abstract of the terms of a contract for the appointment of a Manager, or of variation of any such contract already in existence, in which contract or variation any Director is in any way, whether directly or indirectly, concerned or interested, shall likewise be sent by the Company to every Member within the same time as is specified in clause (1), together with a Memorandum clearly specifying the nature of the concern or interest of the Director in such contract or variation.

(3) If a Director becomes concerned or interested in any such contract as is referred to in clauses (1) and (2) after it is made, the Abstract and the Memorandum referred to in the said clauses shall be sent to every Member within twenty-one days from the date on which the Director becomes so concerned or interested.

(4) All contracts entered into by the Company for the appointment of a Managing Director or Manager shall be kept at the Registered Office of the Company. They shall be open to the inspection of any Member; and extracts may be taken therefrom and copies thereof may be required by any Member, to the same extent and in the same manner and on payment of the same fee as specified in clause (1) of Article 219; and the provisions of Section 163 of the Act shall apply accordingly.

Right of Members to take inspection and copies.

(5) The provisions of this Article shall apply in relation to any resolution of the Board appointing a Managing or Whole-time Director or a Manager, or varying any previous contract or resolution relating to such appointment, as they apply in relation to any contract for the like purpose.

228. (1) A Member shall be entitled to require the Company to send to him, within seven days of the requirement, and subject to the payment of a fee of Rupee one, a copy each of the following documents, as in force for the time being, namely, (a) the Memorandum, (b) the Articles, and (c) every agreement and every resolution referred to in Section 192 of the Act if and in so far as it has not been embodied in the Memorandum or Articles.

Right of Members to obtain copies of Memorandum and Articles, etc.

(2) Where an alteration is made in the Memorandum or Articles, or in any agreement or resolution referred to in Section 192 of the Act, every copy of the Memorandum, Articles, agreement or resolution issued after the date of the alteration shall be in accordance with the alteration.

Copies to be maintained up to date.

ACCOUNTS, DEPOSITS, RESERVES AND AUDIT

229. The Company shall keep proper books of account, giving a true and fair view of the state of affairs of the Company, and explaining its transactions, with respect to—

Of what matters Books of Account shall 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;
- (c) the assets and liabilities of the Company; and
- (d) [if, at any time, the Company falls within such class of companies as is required by the Central Government to include certain particulars in their books of account, for facilitating cost-accounting and auditing], the particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by Rules made under the Act.

Place of keeping
of books
of account.

230. (1) The books shall be kept at the Registered Office of the Company. But all or any of them may be kept at any other place in India as the Board may decide. In that event, there shall be filed with the Registrar of Companies, within seven days of the decision, a notice in writing, giving the full address of that other place.

(2) The books of account relating to the transactions of any branch office of the Company may be kept at that office, but subject to the requirements of sub-section (2) of Section 209 of the Act.

Inspection of
books of account.

231. (1) The books of account and other books and papers relating thereto shall be open to inspection by any Director during business hours.

(2) The books of account and other books and papers relating thereto shall also be open to inspection during business hours by the Registrar of Companies; or any officer of Government authorised by the Central Government in this behalf, as required by Section 209A of the Act.

(3) Save as aforesaid, no person, other than the Auditors of the Company, shall have the right to the inspection of books of account and other related books and papers, unless allowed by the Board at its absolute discretion and on such conditions as it may impose in any given case, or unless pursuant to an order made by a Court or a Tribunal or by a person or authority legally vested with the same powers as a Civil Court, or unless where (and to the extent) expressly provided by the Act or by the Reserve Bank of India Act or by any other law in force.

Period for which
the books of
account and
relevant
vouchers shall be
preserved.

232. (1) The books of account relating to a period of not less than eight 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.

(2) Where the preservation of the books of account and the relevant vouchers is necessary or desirable either in connection with Income-tax or other tax matters, or in connection with any matter pending before a Court of law, or for any other good reason, then nothing contained in clause (1) of this Article shall be construed to warrant the disposal of such books of account and vouchers after eight years. In any such event, the books of account and the relevant vouchers shall be preserved beyond eight years and until their preservation has ceased to be necessary or desirable.

Balance-Sheet and
Profit and Loss
Account.

233. (1) The Company shall comply with the provisions of Sections 210 and 211 (including Schedule VI) of the Act, as regards the form and contents of the Balance-sheet and the requirements as to Profit and Loss Account relating to its financial year, which are to be laid before the Company at every Annual General Meeting.

(2) To the Balance-sheet, there shall be annexed a statement showing the bodies corporate in the shares of which the investments have been made by the Company, and the nature and extent of the investments so made in each body corporate, as required by sub-section (10) of Section 372 of the Act.

(3) If the Company has a subsidiary or subsidiaries, there shall be attached to its Balance-sheet the Accounts and other documents in respect of each subsidiary, in compliance with the provisions of Section 212 of the Act.

(4) The Balance-sheet and the Profit and Loss Account shall be approved by the Board, and shall (before they are submitted to the Auditor for his report thereon) be signed and authenticated on behalf of the Board by the Secretary, and by not less than two Directors one of whom shall be a Managing Director where there is one, as mentioned in Section 215 of the Act.

234. The Auditor's Report, which shall have been made in compliance with the provisions of Section 227 of the Act and with the provisions of the "Manufacturing and other Companies (Auditor's Report) Order, 1975", or any modification thereof for the time being in force, and which shall have been signed by the Auditor as required by Section 229 of the Act, shall be attached to the Statement of Accounts. Likewise, the Auditor's separate, special or supplementary report, if any, shall also be attached thereto.

Auditor's
Report

235. (1) Where the Central Government has, in exercise of its powers under Section 233A of the Act, ordered special audit to be made, and the Special Auditor has submitted a report to the Central Government, and if the Central Government has so directed the Company, the Company shall circulate to the Members a copy of the Report of the said special audit or relevant extracts therefrom, or such copy or extracts shall be got read before the Company at its next general meeting, as may have been directed by the Central Government.

Report of
Special Auditor

(2) If at any time an audit of cost accounts of the Company is ordered by the Central Government, under Section 233B of the Act, to be conducted, and a Report of Cost Audit has been submitted to the Central Government by the Cost-Auditor, and if the Central Government so directs under sub-section (10) of the said Section 233B, the Company shall circulate to the Members, along with the notice of the Annual General Meeting to be held for the first time after the submission of such Report, the whole or such portion of the said Report, as the Central Government may have specified in this behalf.

Report of audit of
cost accounts

236. If the Company has any branch office, the audit of accounts of the branch office shall be made in compliance with the provisions of Section 228 of the Act, unless the application of any of those provisions is exempted by the Central Government under "The Companies (Branch Audit Exemption) Rules, 1961", or any modification thereof for the time being in force.

Branch Audit.

237. (1) As required by sub-section (1) of Section 217 of the Act, there shall be attached to every Balance-sheet laid before the Company in general meeting a Report of its Board of Directors, with respect to—

The Board's
Report—
what it should
contain.

- (a) the state of the Company's affairs;
- (b) the amounts, if any, which it proposes to carry to any reserves in such Balance-sheet;
- (c) the amount, if any, which it recommends should be paid by way of dividend; and

- (d) material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance-sheet relates and the date of the Report.

The Board's Report shall deal with the changes which have occurred during the financial year, as particularised in sub-section (2) of the said Section.

(2) There shall also be included, as part of the Board's Report, a statement showing the names and particulars of certain employees of the Company, as required by sub-section (2A) of the said Section and by "The Companies (Particulars of Employees) Rules, 1975", or any modification thereof for the time being in force.

(3) If at any time there is in force any Directive issued by the Reserve Bank of India under the Reserve Bank of India Act, 1934, in that behalf, the Board's Report shall also include such particulars relating to Deposits received by the Company either from the public or from the members as may be required by such Directive.

(4) The Board shall also give the fullest information and explanations in its Report, or in an addendum thereto, on every reservation, qualification or adverse remark contained in the Auditor's Report.

Signing of the Board's Report.

238. The Board's Report and any addendum thereto shall be signed by the Chairman of the Board, if he is authorised in that behalf by the Board. Where he is not so authorised, the Board's Report shall be signed by not less than two Directors of the Company one of whom shall be a Managing Director where there is one.

Right of Members

239. A copy of the Statement of Accounts, the Auditor's Report, the Board's

Article 239 as substituted by a Special Resolution passed at the Thirty-Fifth Annual General Meeting of the Company held on September 18, 1989.

239. Subject to the provisions of Section 219 of the Act, a copy of every Profit & Loss Account and Balance Sheet (including the Auditors' Report and every other document required by law to be annexed or attached to the Balance sheet) shall at least twenty one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any debentures issued by the Company, whether such member, 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 or trustees, being persons so entitled.

Reserves.

241. (1) The Board may, before recommending any dividend for any financial year, set aside out of the profits of the Company for that year (arrived at after providing for depreciation as required by the Act), and subject to the provisions of Article 261, such sums as the Board thinks proper towards general reserves, or towards Investment Allowance Reserve Account or to a special fund or funds to meet contingencies, or to repay debentures or debenture-stock, or for equalising dividends, or for repairing, improving, extending and maintaining

any of the property of the Company, or for insurance of the Company's assets or any part thereof, or for such other purposes as the Board may in its absolute discretion think conducive to the interest of the Company.

(2) In regard to making a provision for depreciation, the Board shall have regard, *inter alia*, to the provisions of sub-section (2) of Section 205 and Section 350 of the Act.

Provision for depreciation.

(3) The Board may divide the general reserves into such Special Funds as the Board may think fit.

Division of General Reserves into Special Funds.

242. The Board may employ the assets constituting all or any of the above funds in the business of the Company, and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power however to the Board at its discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper, not exceeding nine per cent per annum.

Funds may be employed in Company's business.

243. Subject to the provisions of the Act, the Board may invest the several sums so set aside or so much thereof as require to be invested, in such investments (other than the shares of the Company) as it may think fit.

Investment of the Funds.

244. The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.

Carry forward of profits.

245. (1) At each Annual General Meeting, the Company shall appoint an auditor or auditors to hold the office from the conclusion of that Meeting until the conclusion of the next Annual General Meeting, and shall within seven days of the appointment, give intimation thereof to every auditor so appointed.

Appointment of Auditor.

(2) Before any appointment or re-appointment of auditor or auditors is made, a written certificate shall be obtained by the Company from the auditor or auditors proposed to be so appointed to the effect that the appointment or re-appointment, if made, will be in accordance with sub-section (1-B) of Section 224 of the Act relating to the specified number of companies of which a person or firm holds appointment as auditor.

246. A person or firm proposed to be appointed an auditor or auditors shall possess the qualifications mentioned in sub-sections (1) and (2) of Section 226 of the Act. No person shall be appointed as auditor who is not qualified for appointment under sub-sections (3) and (4) of the same Section.

Qualifications and disqualifications of Auditor.

247. Where at an Annual General Meeting, no auditors are appointed or re-appointed, the Company shall, within seven days, give a notice of that fact to the Central Government; and the Central Government may then appoint a person to fill the vacancy in the office of auditor of the Company.

Appointment of Auditor by Central Government.

248. The Board may fill any casual vacancy in the office of an auditor; but while any such vacancy continues, the remaining auditors, if any, may act. Where such vacancy is caused by the resignation of an auditor, the vacancy shall only be filled by the Company in general meeting. Any auditor appointed in a casual vacancy shall hold office until the conclusion of the next Annual General Meeting.

Filling in casual vacancy in office of Auditor.

249. Where not less than twenty-five per cent of the subscribed share capital of the Company is held, whether singly or in any combination, by the Central or a State Government or by the institutions, banks or companies

Appointment of Auditor, when to be made by special resolution.

particularised in Section 224A of the Act, the appointment or re-appointment at each Annual General Meeting of an auditor or auditors shall be made only by a special resolution.

Re-appointment
of retiring
Auditor.

250. Subject to the provisions of Articles 245 and 249, at any Annual General Meeting, a retiring auditor, by whatsoever authority appointed, shall be re-appointed, unless he is not qualified for re-appointment, or has expressed his unwillingness to be re-appointed, or unless in the other circumstances mentioned in sub-section (2) of Section 224 of the Act.

Special notice
required for
appointing person
other than
retiring Auditor.

251. Special notice shall be required for a resolution at an Annual General Meeting for appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed. On receipt of such notice, the Company shall comply with the provisions of Section 225 of the Act.

Removal of
Auditor.

252. Any auditor appointed under Article 245 may be removed from office before the expiry of his term, but only by the Company in general meeting, and after obtaining the previous approval of the Central Government in that behalf.

Remuneration of
Auditor.

253. (1) In the case of an auditor appointed by the Board, or by the Central Government, under these Articles, the remuneration may be fixed by the Board or by the Central Government, as the case may be.

(2) In the case of an auditor appointed by the Company in general meeting, the remuneration shall be an amount fixed by the Company or an amount arrived at in such manner as the Company in general meeting may determine.

(3) The remuneration fixed as aforesaid shall be deemed to include all the Auditor's expenses, but not the costs incurred by the auditor where expert advice is sought by him in respect of any legal or technical matter for the proper discharge of his duties.

(4) Besides remuneration for audit work, the auditor may also, for services rendered by him in any other capacity, be paid extra remuneration for the same, as may be determined by the Board.

Powers and
duties of
Auditors.

254. (1) The powers and duties of auditors shall be as laid down in Section 227 of the Act, and in Section 45MA of the Reserve Bank of India Act and in any other law in this behalf.

(2) The Company shall give access to the auditor, at all times, to the books, and accounts and vouchers, and shall furnish to him such information and explanations as the auditor may require for the performance of his duties.

(3) The accounts of a branch office shall be audited by the person appointed by the Company in general meeting under Section 228 of the Act. The branch auditor shall have the powers and duties, and shall prepare a Report on the accounts of the branch office examined by him, as laid down in that Section. Where the accounts of a branch office are audited by a person other than the Company's auditor, the Company's auditor shall be entitled to visit the branch office, if he deems it necessary to do so, and shall have a right of access to the books, and accounts and vouchers maintained at the branch office.

Signing, and
placing of
Auditor's Report
at general
meeting.

255. (1) The Auditor's Report, prepared as referred to in Article 234, shall be signed by the auditor in the manner mentioned in Section 229 of the Act. It shall be attached to the Statement of Accounts and placed before the Company in general meeting.

(2) The Auditor's Report shall be read before the Company in general Meeting, and shall be open to inspection by any Member.

256. All notices of, and other communications relating to, any general meeting, which Members are entitled to have sent to them, shall also be forwarded to the Auditor. The Auditor shall be entitled to attend any general meeting and to be heard thereat on any part of the business which concerns him as Auditor.

Right of Auditor to attend general meeting.

257. If at any time a cost-audit of the Company is directed by the Central Government to be made, the Company's Auditor, appointed under Article 245, shall not be appointed or re-appointed for conducting the cost-audit.

Company's Auditor not to be appointed cost-Auditor.

DIVIDEND AND INTEREST

258. The Company in general meeting may declare a dividend to be paid to the Members according to their rights and interests in the profits, and may fix the time for payment. No larger dividend shall be declared than is recommended by the Board, though the Company in general meeting may declare a smaller dividend.

Declaration of Dividend.

259. The Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

Interim Dividend.

260. (1) No dividend shall be declared or paid by the Company for any financial year except (i) out of the profits for that year arrived at after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 and Section 350 of the Act, or (ii) out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed, as provided in sub-section (1) of Section 205 of the Act, or (iii) out of both.

Dividend to be paid only out of profits.

(2) Dividend may also be paid: (i) out of moneys provided by the Central Government or the State Government for the payment of dividend in pursuance of a guarantee given by that Government; or (ii) if the Central Government, in the public interest, allows the Company to declare or pay dividend for any financial year out of its profits for that year or any previous financial year or years *without* providing for depreciation.

Exceptions.

(3) A declaration by the Board as to the amount of the profits available for dividend shall be conclusive.

Declaration by the Board as to divisible profits, to be conclusive.

261. Notwithstanding anything contained in Article 260, no dividend shall be declared or paid by the Company for any financial year out of its profits for that year arrived at after providing for depreciation as aforesaid, *except* after the transfer to reserves of such percentage of its profits for that year, not exceeding ten per cent, as may be prescribed under "The Companies (Transfer of Profits to Reserves) Rules, 1975," or any modification thereof for the time being in force: Provided that nothing in this Article shall be deemed to prohibit the voluntary transfer by the Company of a higher percentage of its profits to the reserves in accordance with the said Rules.

No Dividend to be paid except after transfer of a percentage of profits to reserves.

Explanation: The word "profits" denotes only net profits after tax.

262. (1) No dividend shall be payable except in cash: Provided that nothing herein contained shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company.

Dividend to be paid only in cash.

(2) Any dividend payable in cash may be paid by cheque or warrant sent through the post directed to the registered address of the shareholder entitled to the payment of the dividend, or, in the case of joint shareholders, to the registered address of that one of the joint shareholders which is first named on the Register of Members, or to such person and to such address as the shareholder or the joint shareholders may in writing direct.

Dividend to be in proportion to amount paid up.

263. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid.

(2) No amount paid or credited as paid in respect of a share in advance of calls shall, for the purpose of this Article, be treated as paid on the share.

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.

Article 264 as substituted by Special Resolution passed at the Thirty-First Annual General Meeting of the Company held on 17th May, 1985.

"Restriction on Dividends" The Company shall comply with the provisions of the law, if any, in force which imposes a restriction on declaration or payment of dividends by companies. No

Article 266(2) as altered by a Special Resolution passed at the Thirty-Fifth Annual General Meeting of the Company held on September 18, 1989.

Article 269(1) as altered by a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

Unpaid dividend to be transferred to special dividend account

269. (1) Where a dividend declared by the Company has not been paid or claimed within thirty days or such other period as may be specified by the Companies Act 1956 or such other law, rules or regulations from time to time in force, as aforesaid, the Company shall, within seven days from the date of expiry of the said period of thirty days or such other period as may be specified by the Companies Act 1956 or such other law, rules or regulations from time to time in force, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days or such other period as may be specified by the Companies Act 1956 or such other law, rules or regulations from time to time in force, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account" of the Company as required by sub-Section (1) of Section 205A of the Act.

Article 269(3) as substituted by a Special Resolution passed at the Forty-Eighth Annual General Meeting of the Company held on July 29, 2002

269. (3) Any money transferred to the unpaid Dividend Account of the Company which remains Unpaid or Unclaimed for a period of seven years or such other period as may be specified by the Companies Act 1956 or such other law, rules or regulations from time to time in force, from the date of such transfer, shall be transferred by the Company to the "Investor Education and Protection Fund", established under sub-section (1) of section 205C of the Act.

(2) On the amount remaining untransferred to the Unpaid Dividend Account, the Company shall pay interest at twelve per cent per annum, and the provisions of sub-section (4) of Section 205A of the Act shall apply in that case.

(3) Any money transferred to the Unpaid Dividend Account as aforesaid, which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the General Revenue Account of the Central Government, as required by sub-sections (5) and (6) of Section 205A of the Act.

270. Where, owing to inadequacy or absence of profits in any year, the Company proposes to declare a dividend out of the accumulated profits earned by the Company in previous years and transferred by it to the reserves, such declaration of dividend shall be only made either (a) in accordance with "The Companies (Declaration of Dividend out of Reserves) Rules, 1975", or any modification thereof for the time being in force, or (b) if not in accordance with the Rules, then with the previous approval of the Central Government.

Declaration of Dividend out of Reserves.

271. (1) The dividend payable upon a share in respect of which any person is entitled, under Article 59, to elect either to be registered himself as the holder of the share or to have the share transferred to his nominee, may be retained by the Board until either such person shall have been registered as a Member or the share shall have been duly transferred.

Retention of dividend.

(2) The Board may also retain any dividend payable in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

272. No Member shall be entitled to receive payment of any dividend or interest in respect of his share or shares, while any money may be due or owing to the Company by him in respect of such share or shares, or otherwise howsoever, either alone or jointly with any other person or persons; and the Board may deduct from the dividend or interest payable to any Member all sums of money so due from him to the Company.

No Member entitled to dividend or interest while indebted to the Company.

273. Amounts paid in advance of calls on any shares shall not rank for dividend. But the Board may, as authorised by clause (2) of Article 42, pay interest, at such rate not exceeding nine per cent per annum, until the amount becomes presently payable on a call.

Interest payable on amounts paid in advance of calls.

274. (1) When any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may, with the previous approval of the Central Government, pay interest on so much of that share capital as is for the time being paid up, for the period and subject to the conditions and restrictions mentioned in Section 208 of the Act.

Interest payable out of capital in certain cases.

(2) The Company may charge the sum so paid by way of interest, to capital as part of the cost of construction of the work or building or the provision of the plant.

(3) The payment of interest shall not operate as a reduction of the amount paid up on the shares in respect of which it is paid.

CAPITALISATION OF PROFITS

Resolution to capitalise.

275. The Company in general meeting may, upon the recommendation of the Board, resolve :

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution; and
- (b) that such sum be accordingly set free for distribution in the manner specified in the next Article amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Modes of capitalisation.

276. The sum aforesaid shall not be paid in cash (except in the case mentioned in clause (2) of Article 279), but shall be applied, subject to the provisions contained in the next Article, either in or towards :—

- (i) paying up any amounts for the time being unpaid on any shares held by such Members respectively; or
- (ii) paying up in full unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or
- (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).

Bonus shares.

277. A share premium account and a capital redemption reserve account may, for the purposes of Article 276, be applied only in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

Board to give effect to Company's resolution regarding capitalisation.

278. The Board shall give effect to the resolution passed by the Company in pursuance of Article 275, and to any directions (which shall not be inconsistent with the provisions of the Act or of these Articles) given by the Company by such resolution as regards the modes of capitalisation and the issue of bonus shares.

Capitalisation.

279. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and allotments and issues of fully paid shares, if any, and generally do all acts and things required to give effect thereto.

Issue of fractional certificates or payment of cash.

(2) The Board shall have full power to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions

(3) The Board may also authorise any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on all such Members.

DOCUMENTS AND NOTICES

280. A document or notice may be served or given by the Company on or to 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, in India supplied by him to the Company for serving documents or notices on him.

Service of documents or notices on Members.

281. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice : Provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the Member. Such service shall be deemed to have been effected, in the case of a Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted, and, in any other case, at the time at which the letter would be delivered in the ordinary course of post.

When deemed to be served or effected.

282. A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him : Provided that, in such case, the Explanatory Statement under Section 173 of the Act, need not be annexed to the notice, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members.

Advertisement in newspaper.

283. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice on or to the joint-holder named first in the Register of Members in respect of the share.

Service on joint-holders.

284. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency or liquidation of a Member by sending it through the post in a pre-paid letter addressed to them by name or by the title of representatives of the deceased, or to the Official Assignee or Receiver of the insolvent, or to the liquidator of the Company in liquidation or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency or liquidation had not occurred.

Service on representatives of deceased or insolvent Members.

285. (1) Notices of every general meeting shall be served or given, and documents relating to such meetings shall be sent, in any manner hereinbefore authorised, on or to :—

Persons entitled to receive notice of general meetings and to documents relating to such meetings.

- (a) every Member, except those members who (having no registered address in India) have not supplied to the Company an address in India for the giving of notices to them;
- (b) every person upon whom the ownership of a share devolves by reason of his being a liquidator or legal personal representative or Official Assignee or Receiver of a Member where the Member but for its

liquidation or his death or insolvency would be entitled to receive notice of the meeting: Provided that the person claiming to be so entitled has given to the Company notice of such liquidation, or of such death or insolvency, as the case may be;

- (c) the Auditor or Auditors for the time being of the Company; and
- (d) the Public Trustee, referred to in Article 123, where the voting rights in respect of any shares in the Company have become exercisable by the Public Trustee under Section 187-B of the Act.

(2) No other person shall be entitled to receive notices of general meetings.

Debenture-holders entitled to receive copies of Accounts, etc.

286. A copy of the Statement of Accounts and of the Auditor's Report and the Board's Report and of every other document required by law to be annexed or attached to the Balance-Sheet, which is to be laid before the Company in general meeting, shall, not less than twenty-one days before the date of the meeting, be sent to every debenture-holder and to every Trustee for the holders of any debentures issued by the Company.

Notice to be given to Members of a Special Notice received by the Company.

287. Where the Company has received a Special Notice, under Section 225 or 284 or any other provision contained in the Act or in these Articles, of intention to move a resolution at a general meeting of Members, the Company, in turn, shall give to its Members notice of such resolution in the manner set out in clause(2) of Article 90.

Persons bound by documents or notices served on or given to previous holders.

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

Signature to Notice how given.

289. Any notice to be served or given by the Company may be signed by any Director or a Managing Director, or the Manager, or the Secretary, or by any officer duly authorised by the Board for such purpose, and the signature thereto may be written, printed or lithographed.

Service of documents and notices relating to meetings of a class of Members or of debenture-holders.

290. The provisions contained in these Articles relating to the giving or service of documents and notices shall apply, to the extent to which they may be applicable, in the case of general meetings of a class of Members, or of debenture-holders or of a class of debenture-holders.

Service of documents or notices on or to the Company.

291. All documents or notices to be served or given to the Company or any officer thereof by the Members or other persons to whom these Articles apply shall be served or given by sending the same to the Company or the officer concerned, at the Registered Office of the Company, either by registered post, or by delivery of which receipt shall be obtained.

SECURITY CLAUSES

Secrecy Clause.

292. Every Director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all secret processes or other secret technical information of any nature whatsoever, transactions and affairs of the Company with the customers and the state of the accounts

with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions of these Articles.

293. No Member shall be entitled to visit or inspect any works of the Company without the permission of the Board or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Board, it would be inexpedient in the interest of the Company to disclose.

Member not entitled to inspection of Company's works, or to require information as to matters which ought not to be disclosed.

WINDING UP

294. If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members *in specie* or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

Liquidator may, on winding up, divide assets *in specie*.

295. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid, and may determine how such division shall be carried out as between the members or different classes of members.

Liquidator may evaluate assets, and determine how the same may be divided.

296. The liquidator may, with the like sanction as is mentioned in Article 294, vest the whole or any part of such assets in Trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

Liquidator may have interposition of Trustees.

INDEMNITY AND RESPONSIBILITY

297. Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Manager, Secretary and other officer of the Company, and any person employed by the Company as auditor, shall be indemnified by the Company against, and it shall be the duty of the Board out of the funds of the Company to pay, all costs, losses and expenses (including travelling expenses) which any such Director, officer, or auditor may lawfully incur or to which he may become liable by reason of any contract entered into or act or deed done by him as such Director, officer, or auditor or in any way in the discharge of his duties.

Right of Director, Officer, etc. to be indemnified for expenses incurred in performance of duties.

298. Every Director, Managing Director, Manager, Secretary, or other officer of the Company, and any person employed by the Company as auditor, shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

Right of Director, Officer, etc., for liability incurred in defending proceedings ending in his favour.

299. No Director or other officer of the Company shall be liable for the 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 happening to the Company through insufficiency or deficiency of title to any property acquired by

Non-responsibility for acts of others.

order of the Board for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or body corporate, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty or his own wilful negligence, default or breach of trust.

SAVINGS

Savings as to acts
performed by
erstwhile
Managing Agents

300. Notwithstanding anything contained in the present Articles, the provisions of the Articles as they stood on the 3rd April 1970, will continue to be valid and effective in respect of all acts, deeds, matters and things done, executed and performed by the Company's erstwhile Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., during the subsistence of their Managing Agency, in exercise of their powers, functions and duties under Articles 132 and 141 as they stood on the 3rd April 1970, or under any agreements or contracts entered into by them with the Company, or by them on behalf of the Company as its Managing Agents.

Names, Addresses and Descriptions of Subscribers.	Names, Addresses and Descriptions of Witnesses.
<p>The Bombay Dyeing & Mfg. Co. Ltd., (Sd.) Jamsetjee Jejeebhoy, Director, Neville House, Ballard Estate, Bombay.</p>	<p>(Sd.) Baman K. Kharadi, Assistant, 613, Parsi Colony, Dadar, Bombay 14.</p>
<p>Nowrosjee Wadia & Sons Ltd., (Sd.) Neville N. Wadia, Governing Director, Neville House, Ballard Estate, Bombay.</p>	<p>(Sd.) Nariman J. Ruwala, Secretary, Messrs Nowrosjee Wadia & Sons Ltd., Bombay.</p>
<p>(Sd.) Neville N. Wadia, Industrialist, 72, Pedder Road, Bombay.</p>	<p>(Sd.) S. K. Chari, Secretary, The Bombay Dyeing & Mfg. Co. Ltd., Neville House, Ballard Estate, Bombay.</p>
<p>(Sd.) C. N. Caroe, Solicitor, Standard Building, Bombay.</p>	<p>(Sd.) W. F. Saldanha, Managing Clerk to Messrs. Mulla & Mulla and Craigie Blunt & Caroe, Solicitors, Bombay.</p>
<p>(Sd.) H. S. Batliwalla, Company Director, Ferohin, 31 Worli Hill, Near Worli, Bombay.</p>	<p>(Sd.) Naval Dinsha Bharucha, Stores Purchaser—The Bombay Dyeing & Mfg. Co. Ltd., Neville House, Ballard Estate, Bombay.</p>
<p>Kasturbhai Lalbhai, Mill Agent & Banker, by his constituted attorney. (Sd.) Surottam P. Hutheesing, Pankore's Naka, Ahmedabad.</p>	<p>(Sd.) Narottam P. Hutheesing, Mill Agent, Shahibag, Ahmedabad.</p>
<p>(Sd.) Goutam Sarabhai, Industrialist, C/o. The Calico Mills, Ahmedabad.</p>	<p>(Sd.) Gira Sarabhai, Business Executive, C/o. The Calico Mills, Ahmedabad.</p>
<p>(Sd.) T. P. Barat, Company Executive, C/o. Messrs. Nowrosjee Wadia & Sons Ltd., Bombay.</p>	<p>(Sd.) W. F. Saldanha, Managing Clerk to Messrs. Mulla & Mulla and Craigie Blunt & Caroe, Solicitors, Bombay.</p>

Dated the 16th day of March, 1954.