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**MEMORANDUM**

**AND**

**ARTICLES OF ASSOCIATION**

**OF**

**BIRLA PRECISION TECHNOLOGIES LIMITED**

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भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

कम्पनी अधिनियम, 1956 की धारा 18 (1) (क)

उद्देश्य-खंडों में परिवर्तन की पुष्टि हेतु विशेष विनिश्चय के पंजीकरण का प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L29220MH1986PLC041214

मैसर्स BIRLA PRECISION TECHNOLOGIES LIMITED

के अंशधारकों ने दिनांक 25/07/2008 को आयोजित की गई वार्षिक / असाधारण बैठक में एक विशेष विनिश्चय पारित करके कम्पनी अधिनियम, 1956 (1956 का 1) की धारा 18 (1) का अनुपालन करते हुए अपने संगम-ज्ञापन के प्रावधानों में परिवर्तन कर लिया है।

मैं, एतद्वारा सत्यापित करता हूँ कि उक्त विशेष विनिश्चय की प्रतिलिपि, यथा परिवर्तित संगम-ज्ञापन के साथ, आज पंजीकृत कर ली गई है।

मेरे हस्ताक्षर द्वारा मुंबई में यह प्रमाण-पत्र, आज दिनांक चार जून दो हजार नौ को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, Maharashtra, Mumbai

SECTION 18(1)(A) OF THE COMPANIES ACT, 1956

Certificate of Registration of the Special Resolution Confirming Alteration of Object  
Clause(s)

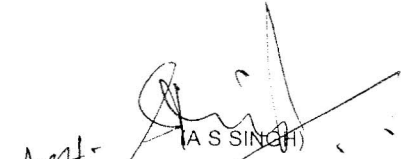
Corporate Identity Number : L29220MH1986PLC041214

The share holders of M/s BIRLA PRECISION TECHNOLOGIES LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 25/07/2008 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section (18)(1) of the Companies Act, 1956 (No. 1 of 1956).

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Mumbai this Fourth day of June Two Thousand Nine.



  
कम्पनी रजिस्ट्रार / Registrar of Companies  
महाराष्ट्र, मुंबई  
Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

BIRLA PRECISION TECHNOLOGIES LIMITED  
B-15/4., M.I.D.C. INDUSTRIAL AREA., WALUJ.,  
AURANGABAD - 431133,  
Maharashtra, INDIA

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय  
कम्पनी रजिस्ट्रार कार्यालय, महाराष्ट्र, मुंबई

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L29220MH1986PLC041214

मैसर्स BIRLA KENNAMETAL LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स  
BIRLA KENNAMETAL LIMITED

जो मूल रूप में दिनांक तेरह अक्टूबर उन्नीस सौ छियासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स  
BIRLA KENNAMETAL LIMITED

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा  
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य  
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि. 507 (अ) दिनांक 24.6.1985 एस्. आर. एन. A24302705 दिनांक 20/11/2007 के द्वारा  
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स  
BIRLA PRECISION TECHNOLOGIES LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा मुंबई में आज दिनांक बीस नवम्बर दो हजार सात को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS  
Registrar of Companies, Maharashtra, Mumbai

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L29220MH1986PLC041214

In the matter of M/s BIRLA KENNAMETAL LIMITED

I hereby certify that BIRLA KENNAMETAL LIMITED which was originally incorporated on Thirteenth day of October  
Nineteen Hundred Eighty Six under the Companies Act, 1956 (No. 1 of 1956) as BIRLA KENNAMETAL LIMITED  
having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of  
the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act,  
1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E)  
dated 24/06/1985 vide SRN A24302705 dated 20/11/2007 the name of the said company is this day changed to  
BIRLA PRECISION TECHNOLOGIES LIMITED and this Certificate is issued pursuant to Section 23(1) of the said  
Act.

Given and signed at Mumbai this Twentieth day of November Two Thousand Seven.



(SHRIRAM MOTIRAM SAINDANE)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies

महाराष्ट्र, मुंबई

Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

BIRLA PRECISION TECHNOLOGIES LIMITED  
B-15/4., M.I.D.C. INDUSTRIAL AREA., WALUJ.,  
AURANGABAD - 431133,  
Maharashtra, INDIA

NO. 11-41214

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME

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

In the matter of ★ BIRLA ERICKSON (TOOLS) LIMITED

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

BIRLA ERICKSON (TOOLS) LIMITED

to BIRLA KENNAMETAL LIMITED

and I hereby certify that BIRLA ERICKSON (TOOLS) LIMITED

which was originally incorporated on THIRTEENTH day of OCTOBER 1986 under the COMPANIES Act, 1956 and under the name BIRLA ERICKSON (TOOLS) LIMITED

having duly passed the necessary resolution in terms of section 21 of the Companies Act, 1956 the name of the said Company is this day changed to

BIRLA KENNAMETAL LIMITED

and this certificate is issued pursuant to section 23 (1) of the said Act.

Given under my hand at Bombay this First Day of December 1989 (One thousand nine hundred Eightynine )

(R. AGHORAMURTHY)

REGISTRAR OF COMPANIES  
MAHARASHTRA, BOMBAY.

- Note : 1 Here given the name of the company as existing prior to change.  
2 Here give the name of the Act (s) under which company was originally registered and incorporated

No. 41214



कारबार प्रारम्भ करने के लिए प्रमाण-पत्र  
Certificate for Commencement of Business

कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसरण में  
Pursuant of Section 149 (3) of the Companies Act. 1956

मैं एतद्वारा प्रमाणित करता हूँ कि.....

जो कम्पनी अधिनियम, 1956 के अधीन तारीखको निगमित की गई..  
थी और जिसने आज विहित प्ररूप में सम्यक रूप से सत्यापित घोषणा फाइल कर दी है की उक्त  
अधिनियम की धारा 149 (1) (क) से लेकर (घ) तक/149 (2) (क) से लेकर (ग) तक की शर्तों  
का अनुपालन किया गया है. कारबार प्रारंभ करने की हकदार है .

I hereby certify that the BIRLA ERICKSON (TOOLS) LIMITED

which was incorporated under the Companies Act 1956, on the THIRTEENTH  
day of OCTOBER 1986, and which has this day filed a duly verified  
declaration in this prescribed form that the condition of section 149 (1)(a) to  
(d)/149(2)(a) to (c) of the side Act. have been complied with is entitled to  
commence business.

मेरे हस्ताक्षर से यह तारीख .....को.....  
में दिया गया ।

Given under my hand at BOMBAY  
this SIXTEENTH day of DECEMBER One thousand nine hundred  
and EIGHTY SIX

( V. RADHAKRISHNAN )  
कम्पनियों का राजस्ट्रार  
ADDL Registrar of Companies



प्रारूप० आई० आर०  
Form I. R.

निगमन का प्रमाण-पत्र

## CERTIFICATE OF INCORPORATION

ता०.....का सं०.....  
No. 41214 of 1986

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

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

I hereby certify that BIRLA BRICKSON (TOOLS) LIMITED

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

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

Given under my hand at BOMBAY this THIRTEENTH day of OCTOBER One thousand nine hundred and EIGHTYSIX.

( C. R. MEHTA )  
कम्पनियों का रजिस्ट्रार  
Registrar of Companies  
Maharashtra

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**MEMORANDUM OF ASSOCIATION**  
**OF**  
**BIRLA PRECISION TECHNOLOGIES LIMITED**

- \*I. The name of the Company is BIRLA PRECISION TECHNOLOGIES LIMITED.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The Objects for which the Company is established are :
- (A) MAIN OBJECTS :
- (1) To carry on in India or elsewhere the business of assembling, fabrication, manufacture, production, buying, selling, importing, exporting, repairing, servicing or otherwise dealing in all types of Tool and Work Holders, Rotary Positioning, Small and Cutting Tools, Minature Tools, Parts of Machine Tools, Machine Tools and Machine Tool Accessories.
- \*\* (2) To manufacture, produce, process, buy, sell, export, import, trade and deal in components, sub-assemblies, parts, spares and accessories, castings and casting products for automotive and other applications.
- \*\* (3) To set up tool rooms and undertake machining work of components, sub-assemblies, parts, spares, tools, dies and fixtures.
- \*\* (4) To manufacture, produce, process, buy, sell, export, import, trade and deal in machined parts, general and special purpose machines, forging and forging items and machine tools for automotive and other engineering applications.
- (B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :
- (5) To purchase, take on lease, hire, or acquire in exchange for concession or otherwise absolutely or conditionally, solely or jointly with others, any property, rights or privileges which the Company may think necessary or convenient for the purpose of its business and make, built, construct, maintain, alter, enlarge, manage, let, sell, dispose of, exchange, equip, pull down, remove or replace and to work, manage and control any offices, factories, mills, shops, sheds, machinery, engines, roads, embankments, ferries, piers, wharves, quays, landing grounds, hangars, garages, accommodation of all kinds for air, sea and land conveyances and traffic, water ways, branches, sidings, bridges, reservoirs, water courses, gas works, electric works and other works and conveniences, utilities and other services which may seem calculated directly or indirectly to advance the company's interest; and to contribute to, subsidize or otherwise assist or take part in the establishment, construction, improvement, maintenance, working, management, carrying out, superintendence or control thereof.
- (6) To manufacture, purchase, sell, exchange, import, export or otherwise acquire, alter, improve and otherwise deal in any plant, machinery, apparatus implements, tools, utensils, receptacle, equipment, materials, articles and stores and things necessary or convenient for carrying on or implementing any of the businesses, activities, processes or objects of the Company or turning to account and exploiting the resources, assets and properties of the Company.
- (7) 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 rights or licenses under or over or connected therewith, including options therein and either to retain the same for the purpose of Company's business or to turn the same to accounts as may seem expedient.
- (8) To develop and turn to account any land held or acquired by the Company or in which it is interested, and in particular, by letting out and preparing the same for building purposes, constructing, altering, pulling down, decorating, maintaining, fitting up, improving and whether by paving, levelling, draining, landscaping, planting, cultivating or otherwise and letting on building lease or building agreement or by advancing moneys to and entering into contracts and other arrangement of all kinds with builders, developers and promoters or contractors for the purpose aforesaid.
- (9) To apply for and take out, purchase or otherwise acquire, protect and renew in any part of the world any trade marks, patents, patent rights, brevets d'invention, designs, licenses, copy rights, know-how concessions, industrial property, intellectual property and the like, conferring any exclusive or non-exclusive or limited right to their use, any application or exploitation, any secret or other information as to any invention or otherwise which may seem capable of being used for any of the purposes of the Company, and to use, carry out, exercise, develop or grant licenses in respect of or otherwise turn to account, the property, rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
- (10) To acquire from any person, firm or body corporate or unincorporate, whether in India or elsewhere, technical information, know-how, processes engineering, manufacturing and operating data, plans, layouts and blue prints, all rights, privileges and advantages, useful whether for the design, erection and operation of plant, or production or provision of any goods, or services produced

\* Name of the company changed from BIRLA KENNAMETAL LIMITED to BIRLA PRECISION TECHNOLOGIES LIMITED w.e.f. 20th November 2007

\*\* Inserted as new paragraph vide Special Resolution passed by shareholders on 25<sup>th</sup> July, 2008

or provided by the Company or otherwise required useful, advantageous or expedient for or in connection with any of the businesses or objects of the Company or to more beneficially enjoy exploit and otherwise turn to account any assets and properties of the Company and also to acquire any grant or license and other rights and benefits in connection therewith and to deal therewith in such manner as may be deemed fit including granting any licenses or sub-licenses in respect thereof or in connection therewith.

- (11) To sell, exchange, pledge, hypothecate, mortgage, hire-out, let, whether form premium or otherwise, grant licenses, easements, options and other rights over and in any other manner deal with or dispose of the whole or any part of the undertaking, property, whether immoveable or moveable, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stocks, shares whether fully or partly paid up or securities of any other company whether or not having objects altogether or in part similar to those of the Company.
- (12) To enter into, make and perform contracts of every kind and description, agreements and arrangements with any person, firm, association, corporation, municipality, country, state, body politic or government or colony or dependency thereof.
- (13) To purchase, or otherwise acquire, invest in, own, hold, use, lease, mortgage, pledge, sell, assign, transfer or otherwise dispose of trade, deal in and deal with goods, wares and merchandise and property of every class and description.
- (14) To repair, alter, remodel, clean, renovate, convert, any goods or properties from time to time belonging to the Company.
- (15) To investigate, examine, assets and evaluate the conditions, prospects, value, character and circumstances or any concerns, undertakings or commercial ventures and all assets, properties, or rights whether owned by or appurtenant thereto otherwise and generally to carry out and conduct surveys, and feasibility studies and reports, whether on a consultancy basis or otherwise and whether by the Company itself or through or with the aid of any other person or Company or firm or agency.
- (16) To open and operate current, overdraft, loan, cash credit, deposit or other accounts with any bank, banker, Shroff or merchant and to pay into, and draw money from such accounts.
- (17) To adopt such means of making known the goods, products, appliances, articles and things manufactured or dealt in by or at the disposal of the company or the services provided by or the business of the Company as may seem expedient and in particular by advertising in all publicity or advertisement media

including the press, by circulars, by purchase and exhibition of works of art or interest, by broadcasting, skywriting, bill boards, hoardings, motion or video pictures or films, publication of books and periodicals and by granting prizes, awards, rewards and donations.

- (18) To create any subscription fund, sinking fund, reserve fund, depreciation fund, insurance fund, or any other special funds, whether for depreciation, repairing, improving, extending or maintaining any property of the Company, or for any other purpose conducive to the interests of the Company or for redemption of debentures of preference shares, or for special or equalizing dividends or for any other purposes whatsoever and to transfer any such fund or part thereof to any other fund or funds herein mentioned.
- (19) To sink wells and shafts, and to make build and construct, lay down and maintain reservoirs water works, cisterns, culverts, filter beds, main and other pipes and appliance, and to execute and to all works and things necessary or convenient for obtaining, storing, selling, delivering, measuring and distributing water for the purposes of carrying out the objects, business or activities of the Company.
- (20) To let on lease or on hire-purchase system or to lend or otherwise dispose of any property belonging to the Company, and to finance the purchase of any article or articles, whether made by the company or not, by way of loans or by the purchase of any such article or articles and the letting thereof on hire purchase or otherwise howsoever.
- (21) To amalgamate with any other Company or companies or to acquire and undertake all or any part of the business, property, rights and liabilities of any person or Company carrying on or proposing to carry on any business which the Company is authorized to carry on, or to purchase, acquire, sell and deal in property, shares, stocks, debenture-stock of any such person, firm or Company and to conduct, make or to carry into effect any arrangements in regard to the winding up of the business of any such person, firm or company.
- (22) To enter into partnership or any arrangement for sharing profits or losses or into any union of interest, joint ventures, reciprocal concession or cooperation with any person or persons carrying on or engaged in or about to carry on engage in, or being authorized to carry on or engage in any business or transaction which the Company is authorized to carry on.

- (23) To establish or promote or concur or be interested in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company of or for any other purpose whatsoever and to transfer to any such company any property of this Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures, or other securities of any such other company and to subsidize or otherwise assist any such other company.
- (24) To pay for any rights or property acquired by the Company and to remunerate any person or company whether by cash payment or by allotment of shares, debentures or other securities of the company credited as paid up in full or in part or otherwise.
- (25) To enter into any arrangement with any Government or Authority, Central, State, Local or foreign, or public body or persons or authority, that may seem conducive to the Company's objects or any of them and to obtain from any such Government, Authority, public body, person or authority any concessions, grants, decrees, rights, charters, contracts, licenses, powers and privileges whatsoever which the Company may think fit or desirable to obtain or which may seem to the company capable of being turned to account or which the Company may think directly or indirectly conducive to any of its objects or capable of being carried on in connection with its business, and to work, develop, carry out, exercise and turn to account the same.
- (26) To apply for, promote and obtain Acts of Parliament, charters, privileges, concessions, licenses or authorization of any Government, State or Municipality provisional order or license of any authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem expedient and to oppose any proceedings or application which may seem calculated or likely to prejudice or affect directly or indirectly the business, interest or objects of the Company.
- (27) To establish, provide, maintain and conduct, subsidize or otherwise undertake research laboratories and experimental workshops for scientific and technical research and experiments and tests of all kinds and to undertake and carry out research and investigations to process, improve and invent new and better techniques and methods of manufactured any products and improving or securing any process or processes, patents, or copy-rights which the Company may acquire or deal with and to promote studies and research scientific and technical investigations and invention by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, meetings, lectures, conferences, exhibitions, seminars by engaging, assisting or otherwise remunerating scientific or technical professors or teachers or instructors or research workers or inventors and by providing for the award of prizes, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the company is authorized to carry on.
- (28) To make donations to such persons or institutions and in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the company's objects or activities or otherwise expedient and in particular to remunerate any person or corporation introducing business to the Company.
- (29) To donate, subscribe, support, aid, contribute or otherwise assist or guarantee money to or for any charitable, scientific, religious or benevolent, national public cultural, educational or other institutions or funds or objects or for any exhibition or for any public, general or other objects and to become a member of any business, trade commercial and/or industrial association, institution or organization for promoting or protecting the company's interest or otherwise.
- (30) To establish, support and maintain or procure the establishment, support, promotion and maintenance of any contributory or non-contributory provident, pension or superannuation or welfare funds for and to donate or contribute or procure the giving of donations, gratuities, pensions, allowances or emoluments or any other pecuniary or other welfare aid or benefit to any person or persons who are or were at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or is allied to or associated with the company or with any such subsidiary company or who are or were at any time the directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons, and also establish, promote, subsidize, subscribe, contribute to any institutions, association, trusts, clubs or associations calculated or intended for the benefit, recreation, welfare or amelioration of such persons or to advance the interests and well-being of the company or of any such other company as aforesaid including but not limited to places of recreation, crèches, schools and other educational

- institutions, hospitals, dispensaries, medical, convalescence, and other and make payments to or towards the insurance of any such person as aforesaid and to any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
- (31) To give any officer, servants or employees of the Company any share or interest in the profits of the Company's business or any branch thereof, and whether carried on by means or through the agency of any subsidiary company or not, and for that purpose to enter into any arrangements the Company may think fit.
- (32) To employ or otherwise appoint or engage technical experts, engineers, mechanics, foremen, skilled, semi-skilled and unskilled labour and managerial, administrative or clerical or other staff and personnel for any of the purposes or business of the Company.
- (33) To train or pay for the training in India or abroad of any of the Company's employees or any candidate in the interest of or for furtherance of the Company's objects.
- (34) To provide residential or other accommodation for staff, employees, workmen and other personnel including directors and in connection therewith to build, lease, let, purchase or otherwise acquire dwelling houses, buildings, and other accommodation or any interest right or license therein and to afford to such persons all facilities and conveniences and amenities.
- (35) To refer or agree to refer any claim, demand, dispute or any other question, by or against the Company or in which the company is interested or concerned, and whether between the Company and the members or his or their representatives or between the company and third parties, to arbitration in India or elsewhere, and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
- (36) To pay out of the funds of the Company whether wholly or in part, costs, charges and expenses in connection with the promotion, formation, incorporation, establishment and registration of the Company or any other company or of and incidental to the winding up any company the whole or part of the property whereof is acquired by the Company and/or issue of the Company's capital or which the Company shall consider to be preliminary including therein the cost of printing and stationery.
- (37) To borrow, raise and secure the payment or repayment of money for any of the purposes of the Company's business or otherwise or to receive money on deposit or loan at interest or otherwise or to receive money on deposit or loan at interest or otherwise in such manner as the Company may think fit, and in particular by promissory notes, bills of exchange, hundies or other negotiable or transferable instruments by mortgage, pledge, hypothecation or charge or by the issue of redeemable preference shares, debentures, or debenture-stock (perpetual or otherwise) whether convertible into shares of this company or otherwise and, issuable or payable at par or at premium or discount and repayable by periodical drawings or otherwise, to bearer or otherwise and whether or not charged upon the company's undertaking or assets or properties or part thereof (both present and future and moveable and immovable) and to secure the repayment of any such money borrowed, raised or received or owing by mortgage, pledge, charge or lien upon all or any of the property, assets or revenue of the Company (both present and future) including its uncalled capital and to give the lenders or creditors the power of sale and other powers as may seem expedient and to purchase redeem or pay off, cancel and discharge any such securities and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or other person, firm or company or any obligation under taken by the company or any other person, firm or company as the case may be, subject to the provisions of Section 58-A and directives of R.B.I.
- (38) To receive money on deposit from and to lend moneys to any person, firm association, society, company or corporation at interest or otherwise and on such terms and on such security as may seem expedient or without any security and in accordance with and so far as allowed by law and in particular to members or customers and others having or likely to have dealings with the company, provided that the Company shall not carry on any banking business as defined by the Banking Regulation Act, 1949, subject to the provisions of Section 58-A and directives of R.B.I.
- (39) To lend out, deposit, invest and deal with the moneys of the company not immediately required with or without interest or security whether in Government securities or in other shares or securities as may from time to time be determined by the Directors, and from time to time to sell or vary all such investments and to execute all assignments, transfers, receipts, and documents that may be necessary in that behalf.
- (40) To take or concur in taking all such steps and proceedings as may seem best calculated to uphold and support the credit of the Company and to obtain and justify public confidence and to avert or minimize financial disturbances, which might affect the Company.

- (41) To confer upon any encumbrancers or trustees for any encumbrances of uncalled capital such powers of making and enforcing calls and of voting the transfer of shares not fully paid up as may be thought fit.
- (42) To draw, make, accept, endorse, discount, execute, retire, discharge, negotiate, issue and honour bills of exchange, cheques, promissory notes, bills of lading, dock and warehouse warrants, rail receipts, air and/or motor way-bills and other negotiable, semi-negotiable or transferable instruments or securities.
- (43) To incur debts and obligations for the conduct of any business of the company, and to purchase or hire goods, materials, or machinery on credit or otherwise for any business or purpose of the Company.
- (44) To guarantee the payment of money unsecured or secured by or payable under or in respect of bonds, debentures, debenture-stock, contracts, mortgages, charges, obligations and other securities of any company or of any authority, central, state, municipal, local or otherwise, or of any person whomsoever, whether incorporated or not and generally to transact all kinds of guarantee business, to guarantee the issue of or the payment of interest on debentures, debenture-stocks or other securities or obligations of any company or association, and to pay or provide for brokerage, commission and underwriting in respect of any such issue.
- (45) To place to reserve or to distribute as bonus shares among the members, or to otherwise apply, as the Company may from time to time think fit, any moneys received by way of premium on shares or on debentures issued at a premium by the company and any moneys received in respect of forfeited shares, and also any moneys arising from the sale by the Company of forfeited shares.
- (46) Subject to the provisions of the Companies Act, 1956, to vest any real or personal property, rights or interests acquired by or belonging to the Company in any person or company and with or without any declared trust in favour of the Company.
- (47) To procure the incorporation, registration or other recognition of the company in any country, state or place and to establish take up and regulate agencies in any part of the world and to appoint agents for purchase, sale or distribution of the Company's products in any part of the world.
- (48) Subject to the provisions of the Companies Act, 1956 to distribute among the members in specie, kind or to gift in favour of any persons, firm, body corporate or institution, any property of the Company or any proceeds of sale or disposal of any property of the company in the event of winding up.
- (49) To dedicate, present or otherwise dispose of, either with or without consideration or for value, any property of the company deemed to be of national, public or local interest, to any national trust, public body, museum, corporation or authority or any trustees for or on behalf of any of the same or of the public.
- (50) To carry on business or branch of a business which this Company is authorized to carry on by means or through the agency of any subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any business or branch so carried or on for financing any such subsidiary company or guaranteeing its liabilities or to make any other arrangements which may seem desirable with reference to other business or branch so carried on including power at any time either temporarily or permanently to close any such business or branch and or to appoint directors or Managers of any such.
- (51) To do the above things in any part of the world and either as principals, agents, brokers, contractors, trustees or otherwise and either alone or in conjunction with others and to do all such acts, deeds and things as are incidental or conducive to the attainment of the above objects.
- (52) To take into consideration and to approve and confirm all acts, deeds or things that may be done or entered into with any person, firm or body corporate by the promoters of the Company and to enter into any arrangement, agreement or contract with the promoters and to reimburse them for all costs and expenses that may be incurred by them in or in connection with the formation or promotion of the Company.
- (53) To undertake, carry out, promote and sponsor rural development including any program for promoting the social and economic welfare or the uplift of the public in any rural area and to incur any expenditure on any program of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the forgoing "Program of Rural Development" shall also include any program for promoting the social and economic welfare of or the uplift of the public in any rural area, likely to promote and assist rural development, and that the words "rural area" shall include such areas as may be regarded as rural areas

- under Section 35cc of the Income-Tax Act, 1961, including any repeal and re-enactment thereof or any other law relating to rural development for the time being in force, and in order to implement any of the abovementioned objects or purposes, transfer without consideration, or at such fair or concessional value and subject to the provisions of the Companies Act, divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institutions or trusts or funds engaged in the programme of rural development.
- (54) To under take, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging social and moral responsibilities of the Company to the public or any section of the public as also any activity likely to promote national welfare or social, economic or moral uplift of the public or any section of the public and without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, or for organizing lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, trusts, having any one of the aforesaid objects as one of its objects by giving donations or otherwise in any other manner and in order to implement any of the above mentioned objects or purposes transfer without consideration or at a fair or concessional value and subject to provisions of the Companies Act, divest the ownership of any property of the Company to or in favour of any public or local body or authority or Central or State Government or any Public Institution or Trusts established or operating under, by virtue of, or pursuant to any law for the time being in force.
- (55) Subject to the provisions of the Companies Act, 1956, or any other enactment in force, to indemnify and keep indemnified officers, directors, agents and servants of the Company against proceedings, costs, damages, claims and demands in respect of anything done or ordered to be done by them for and in the interests of the Company and for any loss, damage or misfortune whatever and which shall happen in execution of the duties of their office or in relation thereto.
- (56) To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers hereinbefore set forth, either alone or in association with other corporate bodies, firms or individuals and to do all other acts, or things incidental or appurtenant to or growing out of, connected with the aforesaid business or powers or any part or parts thereof, provided the same be not inconsistent with the laws of the Union of India.
- (57) To invest the moneys of the company not immediately required in such manner other than in the shares of this Company as from time to time may be determined.
- (58) To acquire, build, construct, alter, maintain, enlarge, equip, pull down, remove or replace and to work, manage and control any building, offices, factories, mills, shops, machinery, engines, road ways, branches, or sidings, bridges, reservoirs, watercourses, electric works and other works and conveniences.
- (C) OTHER OBJECTS:
- (59) To establish and install electric arc and other furnaces and to carry on business as iron-masters, iron founders, iron workers, Steel makers, Electric and Blast Furnace proprietors, brass, Copper and Aluminium founders and metals makers, galvanishers, refiners, and workers, smith, tin plate makers, manufacturers of industrial agricultural and other fittings, parts and machineries, tools and implements, boiler makers and metallurgists.
- (60) To carry on in India or elsewhere the business of manufacturers, processors, fabricators, drawers, rollers, and re-rollers of ferrous and non-ferrous metals, steels, alloy steels, special and stainless steels, shaftings, bars, rods, flats, squares from scrap, sponge, iron, pre-reduced pillars, billets, including manufacturing, processing and fabricating of pipes, utensils, wire nails, wire ropes, wire products, screws, expanded metal hinges, plates, sheet strips, hoops, rounds, circles, angles and to manufacture any other engineering products including hospital appliances and surgical instruments and to act as exporters and importers and dealers in all such merchandise.
- (61) To carry on the business of manufacturers, repairers, importers and exporters of and dealers in ferrous and non-ferrous castings and, in particular continuous castings, chilled and malleable castings, special alloy castings, steel castings, gunmetal, copper, brass and aluminium castings, and foundry work.
- (62) To carry on the business of designing, manufacturing, developing, improving, hiring repairing, buying, selling and dealing in forgings

- of all metals and in any weight, for any industry and also the business of engineers, whether general, consulting mechanical, electrical, structural, civil, constructional or otherwise, general contractors, importers and exporters of and dealers in plant, machinery, ores, metals and hardware.
- (63) To acquire by purchase, lease, exchange, hire or otherwise develop or operate land, building, and hereditaments of any tenure or description including agricultural land, mines, quarries, tea or coffee gardens, farms, any estate or interest therein, and any right over or connected with land and buildings so situated and develop or to turn the same to account as may seem expedient and in particular by preparing, building, sites and by constructing, reconstructing, altering, improving, decorating, furnishing & maintaining hotels, rooms, flats, houses, restaurants, markets, shops, workshops, mills, factories, warehouses, cold storages, wharve, godowns, offices, hostels, gardens, swimming pools, play-grounds, buildings, works and conveniences of all kinds and by leasing , hiring or disposing of the same.
- (64) To manage land, buildings and other properties, whether belonging to the Company or not, and to collect, rents and income and to supply tenants and occupiers and others refreshments, attendance, light, waiting rooms, reading rooms, meeting rooms, electric conveniences and other advantages.
- (65) To carry on business as producers, manufacturers, processors, converters, refiners, makers, bottlers, stockists, dealer, importers, exporters, traders, retailers, agents, buyers or sellers of oxygen, acetylene, ammonia, nitrogen, helium and other types and kinds of gases required for or used in industries, agriculture, clinics, hospitals, refrigeration, aviation, transport vehicles, space rockets and crafts, communication, objects and media power plants, domestic or public lighting, heating, cooling or cooking or cooking purposes, lighters, plants producing water, chemicals or fuels, pesticide, defense or warfare establishments, horticulture, forest or plant protection and growth and other allied purposes and to service, repairs, manufacture, market or deal in machinery, plants, spares, cylinders, containers, gadgets, appliances, and accessories required for, working on, using or producing any of such gases and products.
- (66) To produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally deal in cement, Portland cement, alumina cement, lime and limestone and by-products thereof, cement pipes, sheets and other building materials, refractories and bricks.
- (67) To carry on the business as traders, dealers, wholesalers, retailers, combbers, scourers, spinners, weavers, finishers, dyers and manufacturers of yarns, and fabrics of wool, cotton, jute, silk, rayon, rayon pulp, nylon, terylene and other natural, synthetic and/or fibrous substances and/or manufacturers of materials from the waste realized from the above mentioned products either on its own account or on commission and to carry on the business as drapers and dealers of furnishing fabrics in all its branches, as costumers, readymade dress and mantle makers, silk mercers, makers and suppliers of clothing lingerie and trimmings of every kind of furriers, drapers, haberdashers, milliners, hosiers, gloves, lace makers, feather dressers, felt makers, dealers in and manufacturers of yarn, fabrics and materials of all kinds, varieties and substances; and also to manufacture, deal in or process natural starch and other sizing materials, dyestuff synthetic or chemical substances of all kinds and compounds and other substances, either basic or intermediate required for the above mentioned product or products.
- (68) To carry on business as timber merchants, saw mill proprietors and timber growers, and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber, teak, plywood, fire wood and wood of all kinds and to manufacture and deal in articles of al kinds in the manufacture of which timber, plywood or other wood is used and to buy, clear, plant, and work timber estates.
- (69) To produce, manufacture, refine, prepare, process, purchase, sell, import, export or generally deal in bricks, sand, stone, marble, tiles, rerfractories, china wares, sanitary materials, pipes, tubes, tubular, structures, cement, paints, adhesives, sheets, roofings, glass, furniture, fittings, electrical goods, water supply or storage equipments, floor polish, door closers, concrete mixers, elevators, and any other building or decorative paper.
- (70) To carry on business of manufacturer or manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributors and concessionaries of and dealers in natural rubber, synthetic rubber, elastomers, synthetic resins, carbon black, latex, latexes and formulations thereof including reclaimed rubber, resins, compounds and other products, sports goods, toys, petro-chemicals, calcium carbide, styrene butadine, ethylene, alcohol, hydrocarbon, petroleum factions and other synthetic chemicals and chemical substances -basic, intermediate or otherwise.

- (71) To carry on business as dealers, distributors, stockists, buyers, sellers, repairers, cleaners, stores garage proprietor, importers, exporters, or agents of motor cars, trucks, lorries and carriages, motor cycles, scooters, bicycles, tractors, earth moving equipments, trailers and other vehicles, agricultural implements, pumps and machineries and spare parts, engines, motor accessories, components, tools, batteries, glass panels and sheets, apparatus, fittings, furnishing materials, tyres, tubes, paints, lubricating, fuel, oils, gas or other materials used or required for such vehicles, implements or machine and to act as transporters of goods and passengers, travelling or clearing agents and to let out, hire or finance on hire-purchase system or otherwise automobile and other vehicles, implements, machines and any of the aforementioned products or things.
- (72) To establish depots and agencies and to promote, sponsor, organize, participate in rallies, race meetings and speed and trial tests for aviators, motorists, motor cyclists, and to offer for competition and distribute prizes in connection therewith or for any other purpose, and to give instruction in the art of flying, driving and cycling.
- (73) To carry on the business of importers, exporters, buyers, sellers, suppliers, stockists, agents, merchants, of and dealers in commodities of all or any of the following kinds:
- (a) Flour, cakes, pastry, cornflakes, bread, biscuits, chocolates, confectionery, sweets, fruit drop, sugar, glucose, chewing gum, milk, cream, butter, ghee, cheese and other dairy products, pickles, jams, jellies, sausages, cider, poultry and eggs, pulses, spices, oils, powder and condensed milk, honey, vegetables, coffee, tea, cocoa and all kinds of materials, required or used for preparation of aforesaid articles.
  - (b) Ammonium sulphate, nitrate (double salt), ammonium nitrate, calcium ammonium nitrate (nitroline stone), ammonium chloride, super phosphate, urea and other types of fertilizers of synthetic or natural origin containing nitrogen, phosphorous or other compounds, soda ash, pesticides, DDT, seeds, processed seeds, concentrate for cattle or poultry feed.
  - (c) Drugs, medicines, chemicals, mixtures, powder, tablets, capsules, injections, oils, compounds, cements, paints, creams, scents, soaps, lotions, toilet goods, pigments and all kinds of pharmaceutical, cosmetic and medical preparations required or used for beauty aid or personal hygiene or allopathic, ayurvedic, unani or nature cure methods or systems of treatments, bandages, cotton, gauzes, stretches and all kinds of anatomical orthopaedic and surgical appliances and stores.
- (d) Boots, shoes and footwear of all kinds made of leather, rubber, canvas, plastic or any other synthetic or natural products, waterproof, cloth or compound, leather, hides, skins, rexine, rubber, plastic or synthetic cloth, compounds, or granules, lasts, boot trees, buckles, legging, gaiters heels, laces, boot polishes, protectors, accessories and fittings, used in or required for foot wares.
  - (e) Writing pen, pencils, fountain pen, ball point pen, sign pen, colour pencils, tubes and tablets, pins, erasers, ink, clips, rulers, paper, pulp, newsprint, board, envelopes, cards, dies, letter-heads, forms, files, stamps, books, bags, cases, covers, racks, cabinets, numerical printers, adhesive tapes, gum, duplicators, typewriters, computers, calculators, accounting and inter communication machines and all kinds of office, domestic, industrial and education stationery equipments, appliances, furniture, instruments, gadgets, devices and stores.
- (74) To generate, transmit, distribute and supply electricity (as may be provided by the relevant law in force) and to produce, buy, sell, or otherwise deal with transformers, insulation materials, insulators, armatures, commutators, motors, boilers, pumps, turbines, engines, circuit breakers, accumulators and all apparatus and ancillaries in relation thereto.
- (75) To carry on business as manufacturers, processors, re-rollers, refiners, smelters, converters, producers, exporters, importers, traders, dealers, distributors, stockists, buyers, sellers, agents or merchants in all kinds and forms of steel including mild, high-carbon, spring, high speed, tool, alloy, stainless and special steels, iron, metals, and alloys bars, joists, rods structural, poles, pipes, sheets, castings, wires, rails, rolling, materials, rollers, other materials, made wholly or partly of iron, steel, alloy and metals required in or used for industrial, agricultural, transport commercial domestic, building power transmission and/or construction purposes.
- (76) To manufacture, export, import, buy, sell and deal in containers, cans, boxes, drums, bottle tops, crown corks, packages, packaging materials, bags, pressed metals wares, utensils, cutlery, table wares and articles made of tin, metal aluminium plates, sheets, glass, fibre, paper, board, cloth, hessian, plastic, or other synthetic compound or materials, timber or plywood and to deal in tin plates, wire aluminium sheets and to undertake either on own account or on commission basis or otherwise printing, painting, designing, enamelling, electroplating, engraving or otherwise decorating the aforesaid products or articles.
- (77) To manufacture, produce, buy, sell, import, export, stock and deal in machine tools, grinding machines, automatic lathes, drilling machines, planning

machines, planogrinders, machinery of every description, precision tools, cutting and small tools, electric motors, electrical equipments, electric meters, cables, wires, switchgears, flame and drip proof motors, electric fans, regulators of all types, electric kilowatt hour meters, magnets, industrial jewels, ammeters, voltmeters, and other types of measuring instruments, electrical or non-electric, die castings, screws, nuts and bolts, transformers of all types, circuit breakers, hoists, elevators, gears, trolleys and coaches, winches, air compressors, welders, refrigerators, domestic washing machines, television and wireless apparatus including radio receivers and transmitters, micro wave components, radar equipments, valves, resistors, electronic instruments, conductors, magnetic materials, transistors and allied items, sewing machines, watches and clocks, tape-recorders, household appliances and components, parts thereof.

- (78) To carry on business as producers, importers, buyers, sellers, distributors, stockists, agents and brokers of coal, coke, charcoal, petroleum-coke, iron ore, bauxite, kyanite, fire clay, china clay, salt, sodium chloride, calcium phosphate, nickel, beryllium, uranium, zinc, lead, asbestos, tin, alumina, mercury, silicon, sulphur, graphite, brass, aluminium, silica sand, bentonite, quartz, dextrine, magnesite, dolomite, ferro alloys, corundum, manganese, mica, silver, gold, platinum, diamond, sapphire, ruby, topaz, garnet, emerald, pearl and other precious, semi precious or commercial minerals and stones, and to act as metal founders, manufacturers, agents, and dealers of metal sheets, wires, rods, squares, plates, metal foils, parts, coils, ornaments, decorative and art materials and jewellery made wholly or partly from any one or more of the metals and materials mentioned herein, crockery or cutlery.
- (79) To manufacture, export, import, buy, sell and deal in voltaic battery cells, power pack or storage batteries and battery containers, and battery eliminators of different types required for or used in domestic, household, industrial, commercial, agricultural, mining, hospital, surgical or scientific appliances, machinery, apparatus or accessories and automobile and other vehicles, air crafts, boats, ships, defense establishments, army, navy and air-force for wireless, radios, torches, toys, electronic equipments or otherwise and also to carry on business as manufacturers of and dealers in torches, toys, personal aids, and other appliances working on such batteries and such items and goods which may be useful, akin or otherwise, connected with any one or more of the aforesaid items or products.
- (80) To carry on business as manufacturers, producers, or growers or dealers and exporters, importers,

stockists of other ice-products, carbonated, aerated or mineral waters, fruit juice, wines, liquors and other alcoholic, non-alcoholic or synthetic drinks, dairy products, fresh, dehydrated, preserved or processed vegetables, fruits, oils, seeds, and other farm, agricultural or food products, fish products and sea food and to provide for cold storage or preservation of such products, medicines and merchandise for own business or for hire, by others and to own, establish, purchase, take on lease, rent or hire, construct, develop or otherwise acquire and arrange land, building, cold storage space or warehouses, godowns, containers, shops, show rooms, workshops, vehicle, plant, machinery equipment, apparatus, appliances, stores or services required in connection with or in relation to cold storage or any of the business or objects mentioned herein subject to Law.

- (81) To carry on the business of manufacturers, repairers, importers, exporters, sellers, buyers and dealers in machinery, materials, appliances and spares used in off-set, litho and printing of all kinds, book binding, paper covering, paper or card board packaging.
- (82) To carry on the business of printers, lithographers, stereo-typers, photo-lithographers, printers, type-founders, block makers, die sinkers, engravers, stamp manufacturers, designers, draughtsmen, photographers, painters, book-binders, stationers and stationery manufacturers, paper bags and card board and other packaging material manufacturers.
- (83) To carry on the business of publishers and printers of newspapers, periodicals, magazines, journals and books.
- (84) To manufacture and deal in armaments of all kinds, explosives, ammunitions, fire-works, pyrotechnics and other explosive products and whether for military, mining or industrial purposes or for pyrotechnical display or for any other purpose.
- (85) To carry on the business as manufacturers, extractors, millers, producers, processors, refiners, importers, exporters, agents, sellers, buyers, traders, stockists of or otherwise deal in all types of hydrogenated vegetable oil products, vegetable ghee known as 'Vanaspati', edible oil and oleaginous and saponaceous substances, all kinds of by-products thereof and to manufacture, process, develop, buy, sell or deal in all the products made of its by-products, and to sell and deal in all such products, articles and things including oil cakes, de-oiled cakes, cattle feed and fattening preparations and to plant, grow, produce, cultivate, buy, sell, import, export or otherwise deal all kinds of oil seeds, copra, groundnuts, til seeds, castor seeds, rape seeds, cotton seeds, linseed, mohura

- seeds, nuts or any other oil bearing substances whatsoever, corn products, dairy products, grains, cereals, pulses and to treat, cure, prepare, manipulate and submit to any process of manufacture all or any of the above mentioned products or produce or goods or bye-products, articles and things.
- (86) To manufacture, acquire, purchase, import, export and sell glass, card board, tin or any other metal and paper casks, bottles, boxes and any other receptacles of any material whatever and to manufacture and carry on business as dealers in tin boxes, containers, bottles or any other containers or receptacles of any material whatsoever.
- (87) To guarantee the payment of money, unsecured or secured by or payable under or in respect of bonds, debentures, debenture-stock, contracts, mortgages, charges, obligations and other securities of any Company or of any authority, Central, State, Municipal, local or otherwise, or of any person whomsoever, whether incorporated or not and generally to transact all kinds of guarantee business, to guarantee the issue of or the payment of interest on the shares, debentures, debenture-stock or other securities or obligation of any company or association and to pay or provide for brokerage, commission and underwriting in respect of any such issue and to transact all kinds of trust and agency business.
- (88) To promote, form or acquire any company and to take purchase, or acquire shares or interest in any company and to transfer to any such company any property of this Company and to take or otherwise acquire, hold and dispose of or otherwise deal in as agents, distributors and invest in any shares, debentures and other securities in or of any companies whether out of its own funds or out of funds that it might borrow by issue of debentures or from bankers or otherwise however or in any other manner whatsoever and to subsidize or otherwise assist any such company.
- (89) To carry on business as manufacturers, producers, dealers, traders, importers, exporters, stockists, distributors, or agents of GLS lamps, electric bulbs, tube lights, flood lights, flash lights, mercury vapour bulbs, and other types or type of bulbs, lamps, or tubes required or used for lighting or for industrial, domestic, electronics, transport vehicles, or commercial purposes and glass shells, fitting, tubes, filaments, tungsten and molybdenum wires, caps and other materials, machineries, accessories and spares required or used for manufacture of bulbs, lamps or tubes.
- (90) To carry on business as manufacturers, producers, dealers, importers, exporters, stockists, agents, brokers, traders, retailers of all kinds of paper and packages, boxes, wrappers, tapes, films, sheets, laminates, and packing materials made of papers, card board, corrugated sheets, cloth, hessian, metal, P.V.C. or other synthetic, chemical, fibrous or natural products and to own, acquire, take on lease, rent, hire purchase, build, construct, develop or arrange land, buildings, godowns, shops, plant, machinery, equipments, stores or services required in connection with or in relation to any of the foregoing business.
- (91) To carry on business as manufacturers, fabricators, producers, importers, exporters, dealers, agents, stockists, retailers, traders, or brokers of foundry equipment, mould boxes, ingot mould, material handling, equipments, tools, gadgets, accessories, spares, chemicals, raw materials, fuel stores, parts, apparatus and goods used in or required by the foundries and producers of steel or metal.
- (92) To carry on business as transporters of goods, passengers, live-stock and materials by road, rail, water-ways, sea or air and to own, purchase, take or give on lease charter or hire or otherwise run, use or acquire transport vehicles, craft, ships and carriers of all kinds required for the transport business and to act as forwarding agents, warehousemen and booking agents.
- (93) To carry on business as producers, distributors, importers, exporters, exhibitors, and financiers of cinematograph films, and to manufacture, own, acquire, provide, secure arrange or deal in films and photographic sound recording, musical, lighting appliances, instrument, equipments, and machines, and to construct, establish, own, hire or otherwise acquire and to manage, let out for rent, fee, monetary gain or otherwise, studios, laboratories, theatres, buildings, halls, open air theatres, bars, restaurants, and other buildings or work required for the purposes of production, distribution of the film, operas, stage plays, dances, operettas burlesques, vaudeville revues, ballets, pantomimes, spectacular pieces, promenade, concert, circus or other performances and entertainments, and to act as dealers, importers, exporters, of musical instruments and records, tapes, cinema and film projectors and cameras and other products or materials relating or connected with the aforesaid objects and business, and to acquire exclusive or limited rights to any play, story, script, musical songs and lyric, books, article or any technique by producing, purchasing or otherwise acquiring and to use, exercise, develop or exploit or turn to account such rights for the business of the company, and to act as agents for training, retaining, arranging and supplying artists, art directors, script or story writers, technicians, extra

- and other personnel required by the Company or others for film, cinema or show business.
- (94) To export, import, buy, sell, barter, exchange, pledge, make advance upon invest in and otherwise deal in gold, silver, stocks, shares, securities, seeds, and articles, produce and merchandise of all kinds or description either ready or for forward delivery as permissible by the object of the Company.
- (95) To carry on all or any of the business of manufacturers, importers, exporters, buyers, sellers, agents, distributors and refiners of and dealers in all kinds and forms of organic and inorganic chemicals, petrol, petroleum goods, kerosene, diesel, drugs, acids, alkalies, pasting agents, solvents, including industrial solvents, essences, pharmaceutical, medicinal and chemical and other preparations, natural and synthetic waxes, dyes, vitrol, bleaching and dyeing materials, cosmetics, paints, pigments, lacquers, oils, varnishes, resins and all products and by-products thereof and to carry on all or any of the business of synthetics, compounders, analysts, chemists, analytical chemists, dry-salters, distillers and refinery operators.
- (96) To carry on all or any of the business of manufacturers, importers, buyers, sellers, agents and distribution of and dealers in plastic, polythene, alkathene, foams, elastomers, and other mouldable materials of all kinds and description and all products and by-products made therefrom or made in combination thereof or in combination of any metallic or non-metallic substance and in all other blown, moulded, formed, extruded and dipped goods and articles and in all kinds of cellulose and other cellulose derivatives, products and byproducts and articles.
- (97) To carry on all or any of the business of engineers, including mechanical, chemical and textile engineers, manufacturers, buyers, sellers, importers, exporters, assemblers, designers, distributors, repairers and converters of and dealers in all kind of machinery, plant, equipment, implements, appliances, apparatus, tools, component parts, accessories, fittings, and stores including without limitation, chemicals and chemical compounds capable of being used in jute, textile, rubber, chemical, pharmaceutical and engineering industries.
- (98) To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export, and deal in all factories, works, plants, machinery, tools, utensil, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customer or person
- having dealings with the Company or commonly dealt in by persons engaged in any such business.
- (99) To purchase, manufacture, produce, refine, prepare, import, export, sell and to generally deal in sugar beet, sugarcane, molasses, syrups, jaggery and all products or by-products thereof and food products generally and in connection therewith to acquire, construct and operate sugar or other refineries, buildings, mills, factories and other works.
- (100) To carry on business as financiers, mortgagers, brokers, factors, financial agents and advisers.
- (101) To carry on the business of dealers and traders in, and importers, exporters, buyers, and sellers of fresh fish, prawns, crabs, lobsters, frog leg and all other edible products of the sea and inland waters, canned fish, frozen fish, fish meal and marine products preserved in any form.
- (102) To carry on the business of fishing and fish catching in sea as well as inland waters and for this purpose to purchase or otherwise acquire, to build, to charter, to hire and to sell the sea-going vessels, ships, trawlers, boats and ferries.
- (103) To carry on the business of manufacturing, packing, bottling, extracting, buying, selling, importing, exporting or otherwise dealing in fish oil, fish meal, fish guano, fish paste and all other fish products and edible products of the sea and inland water and of canning, curing, drying, salting, smoking and otherwise preserving and packing fish, fish products and edible products of the sea and inland water.
- (104) To carry on business of refrigerating, freezing, dehydrating, preserving, drying, processing and storing fish and all edible products of the sea and inland water.
- (105) To carry on business as manufacturers, importers and exporters of, and dealers in leather chamois, leather cloth, hides, skins, shagreen, artificial leather, rubber, oil cloth, linoleum, leather coats, leggings, linings, purses, boxes, trunks, suitcases, traveling cases, protmantesu fancy goods, bags, saddlery, hose, washers, belting and goods made from all or any of the aforesaid material and generally to carry on business as tanners, curers, leather dressers, leather goods manufacturers, harness makers, whipmakers, gilders, cleaners, revivers, upholsterers and furniture makers.
- (106) To carry on business as buyers, sellers, merchants, trades, contractors, stockists, sales agents, buying agents, commission agents, wholesalers, dealers, and distributors and as representatives, agents or indentors for foreign and/or Indian principals, contractors, importers, exporters, firms, associations and consortiums for and in respect of

all types of goods, articles, things, wares, chattels, products, materials, minerals, metals, chemicals, substances, articles and things and without prejudice to the generality of the above for all or any type of plants, machineries, equipment components, spares, stores, auxiliaries, raw materials, chemicals (organic or inorganic), fertilizers, pharmaceuticals, minerals, metals and consumable products and products, articles and things made of any metal of any kind.

- (107) To undertake and carry on all or any of the trades and business as shipping agents and insurance brokers, underwriters, tug owners, loading brokers, contractors for carriers by land, air and water, transport, haulage and general contractors, barge owners, lightermen, railway and forwarding agents, ice merchants, refrigerator stores keepers, store merchants, stevedores, warehousemen, salvors, manufacturers of and dealers in rope, tarpaulins, water proofs, machinery and engines.

**AND IT IS HEREBY DECLARED THAT:**

- (i) the objects incidental or ancillary to the attainment of the main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Company herein mentioned;
- (ii) the word "Company" (save when used with reference to this Company) in the Memorandum

shall be deemed to include any partnership or other body or association of persons whether incorporated or not and wherever domiciled;

- (iii) the objects set forth in each of the several clauses of paragraph III hereto shall have the widest possible construction and shall extend to any part of the world;
- (iv) subject to the provisions of the Companies Act, 1956, the objects set forth in any clause of sub-paragraph C above shall be independent and shall be in no way limited or restricted by reference to or inference from the terms of the clauses of sub-paragraph A. None of the clauses in sub-paragraph C or the objects therein specified or the powers thereby conferred, shall be deemed subsidiary or auxiliary merely to objects mentioned in any of the clauses of sub paragraph A.

IV The liability of the members is limited.

V\* The Authorized Share Capital of the Company is Rs. 1,200,000,000 /- (Rupees One Hundred and Twenty Crore only) divided into 600,000,000 (Sixty Crore only) Equity Shares of Rs.2/- (Rupees Two only) each. The Company has power from time to time, to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the company and to vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time being permitted by the Articles of the company or the legislative provisions for the time being in force in that behalf.

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

Name, address, description and occupation	No. of shares taken by each Subscriber	Signature of Subscribers	Signature, name, address, description and Occupation of Witness
Birla International Pvt. Ltd. Industry House, 159, Churchgate Reclamation, Bombay-400 020  Body Corporate	100 (One Hundred) Equity	Sd/-	Sd/- Madhav Prasad Sureka S/o. Shri Keshavdeo Sureka, C/o. M.K. Sureka & Co. Chartered Accountants, 302, Maker Bhavan No. 3, 21, New Marine Lines, Bombay – 400 020 Chartered Accountant
Ghanshyam Das Singi S/o. Late Gopaldas Singi 195, Churchgate Reclamation, Bombay-400 020  Company Executive	10 (Ten) Equity	Sd/-	
Vinod Kumar Agrawal S/o. Late Ram Ratan Agrawal Moti Mahal, 195, Churchgate Reclamation Bombay-400 020  Company Executive	210 (Two hundred Ten) Equity	Sd/-	
Ramesh Prakash Malaviya S/o. Shri Satish Prakash Malaviya, 402, Beach Queen,J.P. Road, Versova,Bombay- 400 061 Engineer	210 (Two hundred Ten) Equity	Sd/-	
Dinesh Kumar Agrawal S/o Late Shri Lakshmi Shankar Agrawal 164, Jupiter Apartment, Cuffe Parade, Bombay-400 005  Company Executive	210 (Two hundred Ten) Equity	Sd/-	
Arun Kumar Singhi Lakshman House, T.H. Kataria Marg, Matunga Road, Bombay-400 016  Company Executive	210 (Two hundred Ten) Equity	Sd/-	
Suresh Sunderlal Dalal S/o. Late Shri Sunderlal Dalal, Dalal House,73, Prabhat Colony, Santacruz (East), Bombay-400 055  Company Executive	210 (Two hundred Ten) Equity	Sd/-	
<b>TOTAL</b>	1160 (One Thousand One hundred Sixty only)		

**ARTICLES OF ASSOCIATION**  
**OF**  
**BIRLA PRECISION TECHNOLOGIES LIMITED**

**PRELIMINARY**

1. The regulations contained in Table A, in the First Schedule to the Companies Act, 1956, shall not apply to this Company, but the regulations for the management of the Company and for the observance by the Members thereof and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration, of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

**INTERPRETATION**

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

- (a) "The Act" or "The said Act" means 'The Companies Act, 1956' or any statutory modification or re-enactment thereof for the time being and from time to time in force.
- (b) 'These Articles' or 'these Presents' mean these Articles of Association.
- (c) 'Auditors' means and includes those persons appointed as such for the time being the Company.
- (d) 'the Board' or 'the Board of Directors' means a meeting of the Directors duly called and constituted, or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a Resolution by circulation in accordance with these Articles or the Directors of the Company collectively.
- (e) 'Capital' means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
- (f) 'The Company' or 'this Company' means BIRLA PRECISION TECHNOLOGIES LIMITED.\*
- (g) 'Debenture' includes debenture-stock and 'Debenture holder' means the registered holder from time to time of the Debentures of the Company.
- (h) 'Directors' means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a Board.
- (i) 'Dividend' includes bonus.
- (j) Words importing the masculine gender also include the feminine gender.
- (k) 'Member' means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company.
- (l) 'Meeting' or 'General Meeting' means a meeting of Members duly called and constituted in accordance with these Articles and any adjourned holding thereof.
- (m) 'Annual General Meeting' means a General Meeting of the Members held in accordance with the provisions of Section 166 of the Act and any adjourned holding thereof.
- (n) 'Extra-ordinary General Meeting' means a General Meeting of the Members (Other than an Annual General Meeting) duly called and constituted and any adjourned holding thereof.
- (o) 'Month' means a calendar month.
- (p) 'Office' means the Registered Office for the time being of the Company.
- (q) 'Paid-up' includes credited as paid up.
- (r) 'Persons' includes firms, corporations as well as individuals.
- (s) 'Register of Members' means the Register of Members to be kept pursuant to the Act.
- (t) 'The Registrar' means the Registrar of Company of the State in which the Office of the Company is for the time being situate.
- (u) 'Secretary' means any individual possessing the prescribed qualifications appointed to perform the duties, which may be performed by a Secretary under the Act and any other ministerial or administrative duties.
- (v) 'Seal' means the Common Seal for the time being of the Company.
- (w) 'Share'; means share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
- (x) Words importing the singular number include, where the context admits or requires, the plural number and vice versa.
- (y) 'Ordinary Resolution' and 'Special Resolution' shall have the meanings assigned thereto by Section 189 of the Act.
- (z) 'Birla' shall mean Birla International Private Ltd., a company incorporated under the Companies Act.

1956 having its Registered Office at Industry House, 159, Churchgate Reclamation, Bombay - 400 020, India.

- z1) 'Year' means the calendar year and 'Financial Year' shall have the meaning assigned thereto by Section 2(17) of the Act.
- z2) 'Written' and 'In writing' shall include printing, lithography and any other mode or modes of representing or reproducing 'words in a visible form'.

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

3. Copies of the Memorandum and Articles of Association and other documents mentioned in Section 39 of the Act shall be furnished by the Company to any member at his request within seven days of the requirement subject to the payment of Rupee One for each copy.

4. The Company shall not commence business or exercise any borrowing powers until the requirements of Section 149 of the Act shall have been complied with.

#### **\*DEMATERIALIZATION OF SECURITIES**

##### Definitions

4. (a) (1) For the purpose of this Article:

"SEBI" means the Securities and Exchange Board of India.

"Depository" means a Company formed and registered under the Depositories Act, 1996 and which has been granted a certificate of registration by SEBI under the Securities and Exchange Board of India Act, 1992.

"Beneficial Owner" means a person or persons whose name(s) is/are recorded in the Register maintained by a Depository under the Depositories Act, 1996.

"Security" means such security as may be specified by SEBI from time to time.

"Member" in respect of dematerialized shares means the beneficial owner thereof, i.e. the person or persons whose name(s) is/are recorded as the beneficial owner in the Register maintained by a Depository under the Depositories Act, 1996 and in respect of other shares the person or persons whose name(s) is/are duly registered as a holder of a share in the Company from time to time and includes the Subscribers to the Memorandum of Association.

#### **Dematerialization of Securities**

(2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the provisions of the Depositories Act, 1996 otherwise.

#### **Issue of Securities and option for Investors**

(3) Notwithstanding anything contained in these Articles, every issue of security by the Company shall be in the dematerialized form and the Company shall intimate the details of allotment to the depository immediately on allotment of such securities.

Investors in a new issue and the beneficial owners shall have the option to rematerialize the shares subsequent to the allotment or dematerializations, as the case may be, in which even the Company shall issue to the investor/beneficiary the required certificates of securities subject to the provisions of applicable laws, Rules, regulations or guidelines. The shares so rematerialized shall bear new distinctive numbers so as to identify them from the shares not dematerialized.

#### **Securities in depository mode to be in fungible form**

(4) All securities held in the depository mode with a Depository shall be dematerialized and be in fungible form. To such securities held by a depository on behalf of beneficial owner, nothing contained in Section 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply.

#### **Rights of Depositories and Beneficial Owners**

(5) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have other membership rights in respect of the securities held by it.

(c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the register maintained by a depository shall be deemed to be a member of the Company. The beneficial owner of securities shall alone be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities held in the depository mode of which he is the beneficial owner.

#### **Service of documents**

(6) Notwithstanding anything contained in the Act or these Articles, where securities are held in a depository mode, the records of the beneficial owner may be served by a depository on the Company by means of electronic mode or by delivery of floppies or discs.

#### **Transfer of Securities**

(7) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered in the Register maintained under the Depositories Act by a Depository as beneficial owners.

**Distinctive numbers of securities held in  
the depository mode**

(8) 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 in the depository mode.

**Register and Index of Beneficial Owners**

(9) The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and holders of securities for the purpose of these Articles and the Act.”

**CAPITAL**

\*5. The Authorized Share Capital of the Company is as per Clause V of the Memorandum of Association with the rights, privileges and conditions attached thereto as per the relevant provisions contained in that behalf in these Articles and the legislative provisions for the time being in force in this behalf and with power to increase or reduce the Capital and to divide the share in the Capital of the Company for the time being into equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these Articles and the legislative provisions for the time being in force in this behalf to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by Act or provided by these Articles.

6. The Board shall observe the restrictions as to the allotment contained in Sections 69 and 70 of the act, as the case may be, and shall cause to be filed the returns as to allotment according to Section 75 of the Act.

7. Subject to the provisions of the Act and of these articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section of the Act) at a discount and at such time as they may from time to time think fit and proper, and with full power to give any person the option to be allotted shares of the company either at part or a premium or subject as aforesaid, at a discount, such option being exercisable at such times and for such consideration as the Directors think fit PROVIDED that the shares shall, in the first instance, be offered to the share-holders in proportion to the Paid-up capital at the date held by the share holder unless the Company in General Meeting by special Resolution resolves to the contrary and PROVIDED FURTHER that the disposition, option, or right to allotment of Shares shall not be given to any person or persons without the sanction of the Company in General Meeting by Special Resolution.

8. In addition to, and without derogating from the power for that purpose conferred on the Directors under Article 7, the Company in general meeting may, by special resolution, determine to issue further shares out of the authorized but un-issued capital of the company and may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium or at par, or, (subject to compliance with the provisions of Section 79 of the Act), at a discount, as such general meeting shall determine and with full power to give any person (whether a member or holder of debentures of the Company or not) the option to be allotted shares of any class of the company either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act), at a discount, such option being exercisable at such times and for such consideration as may be directed by such general meeting or the Company in general meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares, subject to any direction given by the general meeting as aforesaid the provisions of Article 70 hereof shall apply to any issue of new shares.

9. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company in payment or part payment for any property or assets of any kind whatsoever (including the goodwill of any business) sold or transferred or goods or machinery or know-how supplied, or for services rendered to the company either in or about the formation or promotion of the company or the conduct of its business and any shares which may be so allotted may be issued as full paid-up or partly paid-up otherwise than for cash, and if so issued shall be deemed to be fully paid-up or partly paid-up shares as aforesaid. The Directors shall cause returns to be filed of any such allotment as provided by Section 75 of the Act.

10. The shares in the capital of the company shall be numbered progressively according to their several denominations and except in the manner hereinafter mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

11. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus so otherwise accepts any shares and whose name is entered on the Register of Members shall for the purpose of these Articles be a member.

12. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require on direct to be paid by way of deposit, call or otherwise.

in respect of any shares allotted by them shall, immediately on the insertion of the name of the allottee in the Register of Member as the holder of such shares, become a debt due to and recoverable by the company from the allottee thereof, and shall be paid by him accordingly.

13. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installments every such installment shall, when due, paid to the company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

14. Except when required by law and in particular by Section 187 C of the Act, or ordered by a Court of Competent jurisdiction, the company shall not be bound to recognize any person as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or interest in any fraction part of a share, or (except only as by these Articles or as ordered by a court of Competent jurisdiction 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.

#### **UNDERTAKING AND BROKERAGE**

15. The Company may, subject to the provision of Section 76 and other applicable provision (if any) of the Act, at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the Company but so that the commission does not exceed in the case of shares 5% of the price at which the shares are issued and in the case of debentures, 2½% of the price at which the debentures are issued. Such Commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

#### **CERTIFICATES**

16. The certificates of title to the shares shall be issued under the Seal of the company which shall be affixed in the presence of and signed by (i) two Directors (Provided that if the composition of the Board permits, one of the aforesaid two Directors shall be a person other than the Managing or Whole-time Director) and (ii) the Secretary or some other person appointed by the Board for the purpose. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue. A Director may sign the share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving

in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. Provided always that notwithstanding anything contained in this Article, the certificates of title to shares may be executed and issued in accordance with such other provisions of the Act, or the rules made there under, as may be in force for the time being and from time to time.

17. Every member or allottee of share(s) shall be entitled without payment to receive at least one certificate under the Seal of the Company for all the shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve, specifying the number of share or shares allotted to him and the amount paid thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the company of its letter of allotment or of its fractional coupons of requisite value, save in case of issues against letters of acceptance or renunciation, or in case of issue of bonus shares. Provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating such evidence, if the Directors so approve, and upon payment of such fee, if any, not exceeding Rupees two per certificate or free of charge as the Directors may from time to time determine in respect of each class of shares. No member shall be entitled to more than one certificate for shares of each class.

18. The Company shall within three months after the allotment of any of its shares or debentures and within one month after the application for the 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 and the Company shall otherwise comply with the requirements of Section 113 and other applicable provisions (if any) of the Act.

19. (a) No certificate(s) of any share or shares or debenture or debentures shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or rendered useless from any cause whatsoever, or where the cages on the reverse for recording transfers have been fully utilized, unless the certificates in lieu of which they are issued are surrendered to the Company. No duplicate certificate shall be issued in lieu of those that are lost or destroyed without the prior consent of the Board and on such reasonable terms, if any, as to evidence of such loss or destruction and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence as the Board thinks fit.

(b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No.....". The word 'Duplicate' shall be stamped or punched in bold letters across the face of the share certificate.

(c) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose, the Secretary or other persons aforesaid shall be responsible for rendering an account of these forms to the Board.

(d) The Managing Directors of the Company for the time being or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and the safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-article (c).

(e) All the books and documents referred to in sub-article (d) shall be preserved in good order permanently.

### CALLS

20. The Board may from time to time, by a Resolution passed at the meeting of the Board and not by Resolution by circulation, but subject to the terms on which any shares may have been issued and subject to the conditions of allotment, make such calls as they think fit upon the members in respect of all monies unpaid on the shares held by them respectively (whether on account of the capital value of the shares or by way of premium) and each member shall pay the amount of every call so made on him to the persons and at the times appointed by the Board. A call may be made payable by installments.

21. Where any calls are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amount have been paid up shall not be deemed to fall under the same class.

22. At least thirty days' notice of every call, otherwise than on allotment, shall be given specifying the time of payment, and if payable to any person other than the company, the name of the person to whom the call shall be paid. A call may be revoked or postponed at the discretion of the Board.

23. A call shall be deemed to have been made at the time when the Resolution of the Board of Directors authorizing such call was passed and may be made payable by those members whose names appear on the Register of Members on such date, or at the discretion of the Board on such subsequent date as shall be fixed by the Board.

24. The Board may from time to time, at their discretion extend the time for payment of any call, and may extend such time as to payment of call for any of the members who, from residence at a distance or other cause, the Board may deem entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour.

25. If by the terms of issue of any share, any amounts are made payable on allotment or at any fixed time or by installments at fixed times (whether on account of the nominal amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

26. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, or any such extension thereof as aforesaid, the holder for the time being or allottee of the share(s) in respect of which a call shall have been made or the installment shall be due shall pay interest on the same at such rate as shall be fixed from time to time as the Board shall fix from the date appointed for the payment thereof to the time of actual payment but the Board may waive payment or recovery of such interest wholly or in part from any member.

27. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in satisfaction there under nor the receipt by the Company or of a portion of any moneys which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

28. Subject to the provisions of the Act and these Articles at the trial or hearing of any action or suit brought by the company against any member or his legal representative for the recovery of any money claimed to be due to the company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares money is sought to be recovered is entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly posted to the member or his representative in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

29. The Board may, if it thinks fit, agree to and received from any member willing to advance the same, all or any

part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the moneys so paid in advance or so much thereof as from time to time at any time thereafter as exceeds the amount of calls then made upon and due in respect of the shares on account of which such advance has been made, the Board pay or allow interest at such rate as the member paying such sum in advance and the Board agree upon and the Board may agree to repay at any time any amount so advanced or may at any time repay the amount so advanced either by agreement with the member or otherwise upon giving to such member three months' notice in writing. No member paying any sum in advance shall be entitled to participate in profits or dividend or to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

#### **FORFEITURE, SURRENDER, LIEN**

30. If any member fails to pay the whole or any part of any call or installment or any money due in respect of any shares either by way of principal or interest on or before the day of appointed for the payment of the same, or any such extension thereof as aforesaid the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such a member or on the person (if any) entitled to the shares by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (Legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

31. The notice shall name a day (not being less than 14 days from the date of the notice) on or before which and the place or places at which such call, installment or such part thereof and such other moneys as aforesaid and such interest therein at such rate as the Board shall determine from the day on which such, call, installment or other moneys ought to have been paid and expenses as aforesaid are to be paid, and if payable to any person other than the Company, the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other than the Company) at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

32. If the requirements of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given may, at any time thereafter but before payment of all calls or installments, interest and expenses and other moneys due in respect thereof, be forfeited by a resolution of the board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

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

34. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person upon such terms and in such manner as the Board shall think fit.

35. The Board may, at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

36. Any person whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from 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 as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so.

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

38. The board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as it thinks fit.

39. The Company shall have no lien on its fully paid shares. In the case of partly paid up shares, the Company shall have a first and paramount lien on such shares registered in the name of each member, whether solely or jointly with other and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares and whether held solely or jointly with any other person and whether the period for the payment, fulfillment or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be created except upon the footing and condition that Article 14 is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Provided that the board may at any time declared any share to be wholly or in part exempt from the provisions of this Article.

40. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until the expiration of seven days after a notice in writing of the intention to sell shall have been served on such member, his executors or administrators or other legal representatives as the case may be, and default shall have been by him or them in the payment of the sum payable as aforesaid for seven days after service of such notice. To give effect to any such sale, the Board may authorize some 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. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

41. The net proceeds of any such sale, after payment of the costs of such sale, shall be received by the Company and applied in or towards the satisfaction of such part of the amount in respect of which the lien exists as is presently payable and 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 such member or the person (if any) entitled by transmission to the shares at the date of the sale.

42. A certificate in writing under the hands of two Directors that the call in respect of a share was made, and notice thereof given and that default in payment of the call was made, and that the forfeiture of the shares was made by a resolution of the Board to that effect shall be conclusive evidence of the facts stated herein as against all persons claiming to be entitled to such share.

43. Upon any sale after forfeiture or for enforcing a lien in the exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration 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, re-allotment or other disposal of the share and after his name has been entered in the Register of Members in respect of of such share, the validity of the sale shall not be impeached by any person.

44. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall, on demand by the Company, have been previously surrendered to it by the defaulting member) stand cancelled the become null and

void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

## **TRANSFER AND TRANSMISSION OF SHARES**

45. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

46. The Company shall keep a book to be called the "Register of Renewed and Duplicate Certificates" and therein shall be fairly and distinctly entered the particulars of the issue of renewed and duplicate certificates in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or rendered useless.

47. The instrument of transfer of any share shall be in writing and in such form as may be prescribed. All the provisions of Section 108 of the Act shall be duly complied with in respect of all transfer of shares and the registration thereof.

48. (1) An application for the registration of a transfer of the shares in the Company may be either by the transferor or the transferee.

(2) Where the application is made by the transferor and related to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(3) For the purpose of sub-clause (2) above notice to the transferee shall be deemed to have been given if it is dispatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

49. Every such instrument of transfer shall be signed by or on behalf of the transferor and by or on behalf of the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

50. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name address and occupation, if any, of the transferee, has been delivered to the Company within the prescribed period along with the certificate relating to the shares, or if no such share certificate is in existence, along with the letter of allotment of the shares. PROVIDED that, where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer

signed by or on behalf of the transferor and by or on behalf of the transferee has been lost the Company may, if the Board thinks fit, register the transfer on such terms as to indemnity as the Board may think fit provided further that nothing 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.

51. No share shall in any circumstances be subscribed for or transferred to any infant or minor or person of unsound mind.

52. (A) Subject to the provisions of Section 111 of the Act, the Board may, at its absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares and shall not be bound to give any reason for such refusal and in particular may so decline in respect of shares upon which the Company has a lien of whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that the proposed transferee is already a member. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever except as stated hereinabove. The registration of the transfer shall be conclusive evidence of the approval by the Board of the transferee.

(B) Without prejudice to the generality of the foregoing sub-Article (A), the Board shall be entitled to refuse an application for transfer “or split up of shares comprised in a share certificate to several parties, involving splitting up in a denomination”, of less than 50 equity shares of the Company subject however to the following exceptions:

- (i) Transfer of Equity Shares made in pursuance of any statutory provision or an order of a competent Court of Law;
- (ii) The transfer of the entire Equity Shares by an existing Equity Shareholder holding less than 50 Equity Shares by a single transfer to a single or joint names;
- (iii) Transfer of the entire holding of Equity Shares of a member, which is less than 50, to one or more transferees provided that the total holding of the transferee or each of the transferees as the case may be will not be less than 50 shares after the said transfer;
- (iv) The transfer of not less than 50 equity shares in the aggregate in favour of the same transferee in two or more transfer deeds submitted together within which one or more relates to the transfer of less than 50 Equity Shares.

53. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall, within “One Month” from the date on which the instrument or transfer or intimation of transmission was lodged with the Company, send notice of refusal to transferee and transferor or to the person

giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act shall apply.

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

55. The instrument of transfer after registration shall be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall, on demand, be returned to the person depositing the same. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

56. 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, the Register of Members or the Register of Debenture holders at such time not exceeding in the whole 45 days in each year and not exceeding 30 days at a time, as to it may seem fit.

57. The executors or administrators or a holder of a Succession Certificate in respect of the estate of a deceased member, not being one of two or more joint holders shall be the only person, recognized by the Company as having any title to the shares registered in the name of such deceased member and the company shall not be bound to recognize such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration as the case may be, from a duly constituted Court in India provided that in any case where the Board in its absolute discretion thinks fit, it may dispense with the production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 58 register the name of any person who claims to be absolute entitled to the shares standing in the name of a deceased member as a member.

58. Subject to the provisions contained in Article 57 hereof, any person becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, upon producing proper evidence of the grant of Probate or Letters of Administration or Succession Certificate or such other evidence that he sustains the character in respect of which he purports to act under this Article or of his title to the shares as the Board think sufficient may, with the consent of the Board (which it shall not be under any obligation to give), either be registered as a member in respect of such shares, or elect, to have some person nominated by him and approved by the Board registered as a member in respect of such shares provided that if such person shall elect to have his nominee registered, he shall ratify his

election by executing in favour of his nominee an instrument of transfer in accordance with these Articles, and until he does so he shall not be free from any liability in respect of such shares. This Article is herein referred to as “the Transmission Article.”

59. If any member of the Company dies, and the Company through any of its principal officers within the meaning of the Estate Duty Act, 1953, has knowledge of the death, it shall not be lawful for the Company to register the transfer of any shares standing in the name of the deceased member unless the Company is satisfied that the transferee has acquired such shares for valuable consideration or there is produced to it a certificate from the Controller, Deputy Controller or Assistant Controller of Estate Duty that either the Estate Duty in respect thereof has been paid or will be paid or none is due as the case may be. Where the Company has come to know through any of its principal officers of the death of any member, the Company shall within three months of the receipt of such knowledge, furnish to the Assistant Controller or the Deputy Controller of Estate Duty who is exercising the functions of the Income-tax Officer under the Income-tax Act in relation to the Company, such particular Act may be prescribed by the Estate Duty Rules, 1953.

60. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

61. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not before being registered as a member in respect of the shares, be entitled to exercise any right conferred by membership in relation to meeting of the Company.

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

63. The Board shall not charge any fee for registration of transfer or transmission in respect of shares or debentures of the Company.

64. The Company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of

Members) to the prejudice of persons having or claiming any equitable right, title or interest (to or in such shares notwithstanding that the Company may have notice of such equitable right, title or interest) or may have received a notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the company, and save as provided by Section 187-C of the Act, 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 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 to be at liberty to regard and attend to any such notice and give effect thereto if the Board so think fit.

#### **CONVERSION OF SHARES INTO STOCK**

65. The Company, by ordinary resolution in General Meeting may:

- (a) Convert any paid-up shares into stock; and
- (b) Re-convert any stock into paid-up shares of any denomination.

66. The holders of stocks may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of shares from which the stock arose.

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

68. Such of the articles of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words ‘share’ and ‘shareholder’ in these regulations include stock and stockholder respectively.

#### **INCREASE, REDUCTION AND ALTERATION OF CAPITAL**

69. The Company may from time to time by special resolution in General Meeting increase its share capital by the creation and issue of new shares of such amount as it thinks expedient. Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct and if no direction be given as the Board shall determine. Such shares may be issued with a

preferential or qualified right as to dividends, and in the distribution of assets of the Company, and with a right of voting at General Meetings of the Company in conformity with Sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.

70. (1) Where, at any time after expiry of two years from the date of formation of the Company or at any time after the expiry of one year from the date of allotment of shares in the Company made for the first time, (whichever is earlier) it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion (as nearly as circumstances admit) to the capital paid up on those shares at the date, and such offer shall be made in accordance with the provisions of Section 81 of the Act. Provided that notwithstanding anything herein before contained the further shares aforesaid may be offered to any persons whether or not those persons include the persons who, at the date of the offer, are the holders of the equity shares of the Company in any manner whatsoever :-

- (a) If a special resolution to that effect is passed by the Company in General Meeting; or
- (b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the chairman) by members who being entitled so to do vote in person or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.

71. 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 installments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

72. (1) Subject to the provisions of Section 80 of the Act and Article 8 hereof the Company shall have the power to issue preference shares, which are, or at the option of the Company, are liable to be redeemed and the redemption may be effected in the manner and subject to the terms and provisions of its issue.

(2) On the issue of redeemable Preference Shares under the provisions of Clause (1) hereof, the following provisions shall take effect:

- (a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh of shares, made for the purpose of redemption;

- (b) no such shares shall be redeemed unless they are fully paid;
- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;
- (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the 'Capital Redemption Reserve Account' a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.

73. (a) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 74 and in pursuance of Sections 100 to 104 or Section 402 or other applicable provisions (if any) of the Act.

(b) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act, the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, provision of surety or otherwise any financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.

74. The Company may, subject to the provisions of Sections 78, 80, 100 to 105 (both inclusive) of the Act from time to time by Special Resolution reduce its share capital and any Capital Redemption Reserve Account or other Premium Account in any manner for the time being authorize by law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly. This Article is not to derogate from any power the Company would have if it were omitted.

75. Subject to the provisions of Section 94 of the Act, the Company may in the General Meeting alter the conditions of its Memorandum as follows:

- (a) Consolidate and divide all or any of the share capital into shares of larger amounts than its existing shares;
- (b) Sub-divide its share or any of them into shares of smaller amounts than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amounts paid and the amounts, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

- (c) Cancel shares which at the date of such General Meeting 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.

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

### **MODIFICATION OF RIGHTS**

77. If at any time the share capital is divided into different classes, the rights and privileges 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, be modified, commuted, affected, abrogated or varied (whether or not the Company is being wound up) 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 a separate meeting of the holders of shares of that class and all the provisions hereinafter contained as to General Meeting shall *mutatis mutandis* apply to every such Meeting.

### **JOINT-HOLDERS**

78. Where two or more persons are registered as the holders of any shares they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in the Articles :-

- (a) the Company shall be entitled to decline to register more than four persons as the holders of any shares; the joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which out to be made in respect of such share;
- (b) on the death of any such joint-holder the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability in respect of the shares held by him jointly with any other person;
- (c) only the person whose name stands first in the Register of Members may give effectual receipts for any dividends or other moneys payable in respect of such share;
- (d) only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the

certificate relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 210) from the Company and any documents served on or sent to such person shall be deemed service on all the joint-holders;

- (e) any one of two or more joint-holders may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy then that one of such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to be present at the meeting. Provided always that a joint-holder present any meeting personally shall be entitled to vote in preference to a joint-holder present by proxy although the name of such joint holder present by proxy stand first or higher in the Register of Members in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purposes of this sub-clause be deemed joint-holders.

### **BORROWING POWERS**

79. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Board shall have the power from time to time at its discretion, by a resolution passed at meeting of the Board and not by Resolution by circulation, to accept deposits from Members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of moneys for the purposes of the Company provided that the total amount to be borrowed at any 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), shall not, without the consent of the company in General Meeting, 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. Such consent shall be obtained by a Special Resolution, which shall provide for the total amount up to which moneys may be borrowed by the Board. The expression "Temporary loans" in this Article means loans repayable on demand or within six months from the date of the loan such as short term loans, cash credit arrangements, discounting of bills and the issue of other short-term loans of seasonal character but does not include loans raised for the purpose of financing expenditure of a capital nature.

80. Subject to the provisions of the Act and these Articles, the Board may, by a resolution passed at a meeting of the Board and not by resolution by circulation

secure the payment of such sum or sums in such manner as it thinks fit and particularly by issue of bonds, perpetual or redeemable debentures or debenture-stock or any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

81. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the company shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such consideration as it shall consider to be for the benefit of the Company.

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

83. Subject to the provisions of the Act and these Articles any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and with any special rights, privileges and conditions as to redemption, surrender, drawings, allotment of shares as to attending (but not voting) at general meeting, as to appointment of Directors or otherwise. Provided that debentures with the right of allotment of or conversion into shares shall not be issued except with the sanction of the company in General Meeting, according by a Special Resolution.

84. If any uncalled capital of the Company is other security by the Board, the Board shall, subject to the provisions of the Act and these Articles, included in or charged by way of mortgage or make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or, if permitted by the Act, may by instrument under Seal, authorize the person in whose favour such mortgage or security is executed or any person in trust for him to receive monies on call from the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either the exclusion of the Directors powers or otherwise and shall be assignable if expressed so to be.

85. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person 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 caused to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

86. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company including all floating charges on the undertaking or any property of the Company, and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, within the time prescribed by the said Sections or such extensions thereof as may be permitted by the Company Law Board or the Registrar so far as they are to be complied with by the Board. The Company shall, if at any time it issues debentures, keep Register and Index of Debenture-holders in accordance with Section 152 of the Act.

### GENERAL MEETINGS

87. The statutory meeting of the Company shall be held at such place and time (not less than one month nor more than six months from the date at which the company is entitled to commence business) as the Directors may determine and in connection therewith, the Directors shall comply with the provisions of Section 165 of the Act.

88. (1) Subject to the provisions of Section 166 and 210 of the Act, the Company shall, in addition to any other meetings, hold a general meeting (hereinafter called an "Annual General Meeting") at the intervals and in accordance with the provisions herein specified. The Company shall hold its first Annual General Meeting within eighteen months from the date of incorporation of the Company and if such general meeting is held within that period, it shall not be necessary for the Company to hold any Annual General Meeting in the year of its incorporation or in the following year, but subject to the aforesaid provisions, the Annual General Meeting shall be held at least once in every calendar year and not more than fifteen months shall elapse between the date of one Annual General Meeting and next; Provided however that if the Registrar of Companies shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time fixed by the Registrar.

(2) Every Annual General Meeting shall be called at a time during business hours and on such day (not being public holiday) as the Board may from time to time determine and it shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situate as the Board may determine. The Company may, by a resolution passed at one Annual General Meeting, fix the time for its subsequent Annual General Meeting. The notice calling the meeting shall specify it as the Annual General Meeting.

89. (1) The Board of Directors may call an Extraordinary General Meeting whenever they think fit.

(2) The Board of Directors shall, on the requisition of such number of members of the Company as hold, in regard to any matter at the date of deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company upon which all calls or other moneys then due shall have been paid as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act and the provisions herein below contained shall be applicable to such meeting.

(3) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the Registered Office of the Company.

(4) The requisition may consist of several documents of the like form, each signed by one or more requisitionists.

(5) Where two or more distinct matters are specified in the requisition, the provisions of clause (1) above shall apply separately in regard to each matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.

(6) If the Board does not within twenty one days from the date of the deposit of a valid requisition in regard to any matter, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in the value of the paid share capital held by all of them or not less than one-tenth of such of the paid share capital of the Company as referred to in Clause (2) above whichever is less.

(7) A meeting called under Clause (6) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.

(8) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company, and any such so repaid shall be retained by the company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

90. (1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing. PROVIDED that so far as member whose address registered in the books of the company is outside India is concerned, in addition to the notice of the General Meeting, cable or telex intimation of the date of the

General Meeting shall be sent to such member at his address outside India for the time being registered with the Company, at least 21 clear days before the date of the said General Meeting of the Company.

(2) However a General Meeting may be called after giving shorter notice than 21 days, if the consent is accorded thereto:

- (i) in the case of an Annual General Meeting by all the members entitled to vote thereat; and
- (ii) in the case of any other meeting by members of the Company holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at that meeting.

91.(1) Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting and shall contain a statement of the business to be transacted thereat. The Notice/Agenda of such General Meeting shall be in English and shall not contain a miscellaneous designation such as "other matters".

(2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote instead of himself, and that a proxy need not be a member of the Company.

92.(1) In the case of an Annual General Meeting all business be transacted at the meeting shall be deemed special, with the exception of business relating to:-(i) the consideration of the Accounts, Balance Sheet and Profit and Loss Account and the Report of Board of Directors and the Auditors;

- (ii) the declaration of dividend;
- (iii) the appointment of Directors in the place of those retiring;
- (iv) the appointment of and the fixing of the remuneration of the Auditors.

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

(3) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest, if any, therein of every Director and of the Manager, if any, of the company. Provided that where any item of special business as aforesaid to be transacted at a meeting of the company relates to, or affects, any other Company, the extent of the shareholding interest in that other Company of every director and the Manager, if any, of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 20 percent of the paid-up share capital of that other Company.

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

93. Notice of every meeting shall be given to every member of the Company in any manner authorized by sub-sections (1) to (4) of Section 53 of the Act and by these Articles. It shall be given to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of the representative of the like description at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred. Provided that where notice or a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company sub-section (3) of Section 53 of the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

94. Notice of every meeting of the Company and every other communication relating to any general meeting of the Company which any member of the Company is entitled to have sent to him, shall be given to the Auditor or Auditors for the time being of the company, in the manner authorized by Section 53 of the Act, as in the case of any member or members of the Company.

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

96. (1) Where, by any provision contained in the Act or in 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 days on which the notice is served or deemed to be served and the days 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 them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by the Articles, not less than seven days before the meeting.

#### **PROCEEDING AT GENERAL MEETINGS**

97. Five members entitled to vote and present in person shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the meeting.

98. If with in half an hour after the time appointed for the holding of a General Meeting a quorum be not present, the meeting, if convened on the requisition of Members shall be dissolved and in every other case, shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day, time and place as the Board may by notice to the member appoint. If at such adjourned meeting a quorum be not present within half an hour, those members present shall be a quorum and may transact the business for which the meeting was called.

99. No business shall be transacted at any adjourned meeting other than the business, which might have been transacted at the meeting from which the adjournment took place.

100. The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting. If there is no Chairman or if at any meeting, he shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose one of their number as Chairman, and if no such Director be present or if all the Directors present decline to take the Chair, the members present shall choose one of their number to be the Chairman of the meeting.

101.(1) No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.

(2) "If a poll is demanded on election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and these Articles. The Chairman so elected on show of hand shall exercise all powers of the Chairman under the Act and these Articles for the purpose of the poll.

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

102. The Chairman, with the consent of any meeting at which a quorum is present may adjourn any meeting from time to time and from place to place in the city or town or village in which the Registered Office of the Company is situate.

103. 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. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

104. At any General Meeting, a resolution put to the vote of the meeting shall unless a poll is (before or on the declaration of the results on a show of hands) demanded, be decided on a show of hand and unless a poll is so demanded, a declaration by the Chairman that Resolution has on a show of hands been carried, either unanimously or by a particular majority, or lost and an entry to that

effect in the books containing the minutes of the proceedings of the company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such Resolution.

104 A. Any act or resolution which under these Articles or the Act is permitted or required to be done or passed by the Company in general Meeting shall be sufficiently done or passed if effected by an ordinary resolution unless either the Act or the Articles specifically require such act or resolution to be done or passed by a special majority of the shareholders or by Special Resolution as defined in Section 189(2) of the Act.

104 B. Where a resolution is passed at an adjourned meeting of the Company or the holders of any class of shares in the company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was, in fact, passed and shall not be deemed to have been passed on any earlier date.

105. 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 at least five members having the right to vote on the resolution and present in person or by proxy, or by a duly constituted attorney in case the member is a Company or a Corporation either registered in India or abroad or by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company, conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid-up on all the shares conferring that right. The demand for a poll may be withdraw at any time by the person or persons who made the demand.

106. A poll demanded on any question (other than the election of the Chairman or on a question of adjournment, which shall be taken forthwith) shall be taken at such place in the city, town or village in which the Registered Office of the Company is situate and at such time, not being later than forty-eight hours from the time when the demand was made as the Chairman may direct. Subject to the provision of the Act, the regulate the manner in which a poll shall be taken including the power to take the poll by open voting or by secret ballot and either at once or after the interval or adjournment or otherwise and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

107. When a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report thereon to him. The Chairman shall have the power, at any time before the result of the poll is declared to remove a scrutineer from

Office and fill vacancies in the Office of scrutineers arising from such removal or from any other cause. Of the scrutineers appointed under the Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.

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

109. In the case of an equality of votes, whether on a show of hand or on a poll, the Chairman of the meeting at which the show of hands has taken place, or at which the poll is demanded, shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled as a member.

110. At every Annual General Meeting of the Company there shall be laid on the table the Directors Report and audited Statement of Accounts, Auditors' Report (if not already incorporated in the Statement of Accounts), the proxy Register with proxies and the Register of Directors' and Managing Directors' or Manager's shareholding maintained under Section 307 of the Act. 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.

111. (1) A copy each of the following resolutions (together with a copy of the statement of material facts annexed under Section 173 to the notice of the meeting in which such resolutions have been passed) and agreements shall within thirty days after the passing or making thereof, be printed or typewritten and duly certified under the signature of an Officer of the company filed with the Registrar:

(a) special resolutions;

(a1) special resolutions having the effect of altering the articles;

(b) resolutions which have been agreed to by all the members of the Company but which, if not so agreed to would not have been effective for their purpose unless they had been passed as special resolutions;

(c) resolutions of the Board or agreements relating to the appointment, re-appointment or the renewal of the appointment or variation of the terms of appointment of a Managing Director;

(d) resolutions or agreement which have been agreed; to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner; and all resolutions or agreement which effectively bind all the members or any class of shareholders though not agreed to by all those members.

- (e) resolutions requiring the Company to be wound up voluntarily passed in pursuance of Section 484 of the act;
- (f) resolutions passed by the Company according to consent to the exercise by its Board of Directors of any of the powers under Clause (a) Clause (d) and Clause (e) of sub-section (1) of Section 293 of the Act;
- (g) resolutions passed by the Company approving the appointment of sole selling agents under Section 294, 294A or 294AA of the Act; and
- (h) terms and conditions of appointment of sole selling agents or other persons appointed under Section 294, 294A or 294AA of the Act.

(2) A copy of every resolution of the Company and a copy of every Agreement referred to 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.

112. The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of Section 193 of the Act, by making, within thirty days of the conclusion of each such meeting, entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialed or signed and the last page of the record of proceeding of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of the Chairman within that period, by a Director duly authorized by the Board for that purpose. In no case the minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

113. The books containing the aforesaid minutes shall be kept at the Registered Office and be open during business hours to the inspection of any member without charge subject to such reasonable restrictions as the company may by these Articles or in General Meeting impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished, within seven days after he had made a request in that behalf to the company, with a copy of the minutes on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.

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

### **VOTES OF MEMBERS**

115. Subject to the provisions of the Act and these Articles, votes may be given either personally or by proxy or in the case of a body corporate also by a representative duly authorized under Section 187 of the Act.

116. Subject to the provisions of the Act :-

- (a) on a show of hands, every holder of equity shares entitled to vote and present in person or by proxy shall have one vote and upon a poll every holder of equity shares entitled to vote and present in person or by proxy shall have one vote for every equity share held by him;
- (b) every holder of a preference share in the capital of a Company shall be entitled to vote at a General Meeting of a Company only in accordance with the limitations and provisions laid down in Section 87(2) of the Act;
- (c) where the Company accepts from any Member all or any part of the money due in respect of the shares held by him beyond the sums actually called for, the Member shall not be entitled to any voting rights in respect of the monies so paid by him.

117. Any person entitled under the Transmission Article (Article 58 hereof) to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares provided that at least forty-eight hours before the time of holding of the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares and give such indemnity, if any, as the Directors may require unless the directors shall have previously admitted his right to vote at such meeting in respect thereof.

117A. Where there are joint registered holders of any given share, any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto; and if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first in the Register in respect of such share shall alone be entitled to vote or speak in respect thereof. Several executors or administrators of a deceased Member in whose name any share stands shall, for the purposes of this Article, be deemed joint holders thereof.

117B. Any company or body corporate which is a Member of the company shall be entitled, through a resolution of its Board of Directors, to authorize such person as it thinks fit to act as its representative at any meeting of the Company held in pursuance of the Act. A person authorized by a resolution as aforesaid shall be entitled to exercise the same rights and powers, including the right to vote by proxy, which such company or body corporate could exercise if it were an individual Member of the Company.

118. 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.

If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardian, of more than one to be selected in case of dispute, by the Chairman of the meeting.

119. Subject to the provisions of the Act, no member shall be entitled to vote at any General Meeting either personally or by proxy or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member or in regard to which the Company has, and has exercised, any right of lien.

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

121. Any member entitled to attend and vote at a meeting of the company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself but a proxy so appointed shall not have any right to speak at the meeting. A member present by proxy shall be entitled to vote only on a poll.

122. Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.

123.(1) The instrument of proxy shall be deposited at the Office of the company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time.

(2) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled, during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company provided not less than three day's notice in writing of the intention so to inspect is given to the Company.

124. An instrument appointing a proxy shall be in such form as may be prescribed by the Act from time to time.

125. If any such instrument be confined to the object of appointing a proxy for voting at a meeting of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company, and if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

126. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or subsequent insanity of the Principal or revocation of the proxy under which such proxy was signed or the transfer of the shares in respect of which the vote is given provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received at the Office of the Company before the meeting.

127. Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote is tendered and every vote whether given personally or by proxy or by any means hereby authorized, and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

128. Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered or given at such meeting and subject as aforesaid, the Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

#### **DIRECTORS**

129. Subject to the provisions of Section 259 of the Act, the number of Directors (excluding alternate directors) shall not be less than three, and unless otherwise determined by the Company in General Meeting, more than twelve (excluding Special/Financial Directors).

The First Directors of the Company shall be:

1. MR. ASHOK VARDHAN BIRLA
2. MR. DINESH KUMAR AGRAWAL
3. MR. SURESH SUNDERLAL DALAL

\*130. Notwithstanding anything contained in Article 131, 132, 149 and 150 of the Articles of Association and subject to the provisions of Section 255 of the Companies Act, 1956, the Chairman of the Board of Directors of the Company shall be a Permanent Director and shall not be liable to Retire by Rotation in the General Meetings.

131. (1) The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation, that he or it shall have the right to appoint his or its nominee or nominees on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors of the Company.

(2) The Special Directors appointed under sub-clause (1) hereof shall be entitled to hold office until requested to retire by the person, firm or corporation which may have appointed him/them and will not be liable to retire by rotation. A Special Director shall not be required to hold any qualification shares. As and when a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who or which appointed such Director may appoint any other Director in his place. A Special Director

may, at any time, by notice in writing to the company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

132. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Financial Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), The Industrial Reconstruction Corporation of India Limited (IRCL), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), General Insurance Corporation of India (GIC), National Insurance Company Limited (NIC), The Oriental Fire and General Insurance Company Limited (OFGI), The New India Assurance Company Limited (NIA), United India Insurance Company Limited (UI), or a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter in this Article referred to as "the Corporation") out of any loans/debentures assistance granted by them to the Company 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 so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remain 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 appoint To any person or persons in his or their place/s.

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

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/share 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 moneys 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.

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 members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the company are entitled, but if any other fees, commission, monies and remuneration in any form is payable to the Directors of the Company, the fees commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the corporation and the same shall accordingly be paid by the Company directly to the Corporation. 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.

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.

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.

133. Any Trust Deed for securing Debentures or debenture-stock may, if so arranged, provide for appointment from time to time by the Trustees thereof or by the holders of the debentures or debenture-stock of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture-stock from time to time to remove any Director so appointed. The Director appointed this Article herein referred to as the "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or, subject to the provisions of the Act, be removed by the Company. The

Trust Deed may contain such ancillary provisions as may be arranged between the company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

\*134. The Board may appoint any person who is recommended for such appointment by a Director (hereinafter called "the Original Director") to act as an Alternate Director for him during his absence for a period of not less than three months from the state in which the meetings of the Board are ordinarily held and such appointee, while he holds office as an Alternate Director shall be entitled to notice of meetings of the Directors and to vote thereat accordingly and to the same rights and privileges as the Original Director. Alternate Director appointed under this article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office as and when the Original Director returns to the said state. If the term of the office of the Original Director is determined before he so returns to the state as aforesaid, any provisions in the Act or in these articles for the automatic re-appointment of a retiring Director in default of any other appointment shall apply to the Original Director and not to the Alternate Director.

\*135. Subject to the provisions of the Act and these articles, if the office of any Director 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. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if the vacancy had not occurred.

136. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a person or persons as an Additional Director or Directors. Such Additional Director shall hold office only up to the date of the next Annual General Meeting of the Company, but shall be eligible for re-election at that meeting as Director, provided that, the number of Directors and the Additional Directors together, shall not exceed the maximum strength fixed by the Board by Article 129 thereof.

137. A Director of the Company shall not be bound to hold any qualification shares.

138. Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, the remuneration payable to the Directors of the company shall be as hereinafter provided.

\*\* (1) Subject to the provisions of the aforesaid Sections, each of the Directors of the Company (inclusive of the Chairman) shall be entitled to payment of a sum not exceeding such amount as permissible under the provisions of the Act, and as fixed by the Board of Directors from time to time for each meeting of the Board or of one or more committees of the Board attended by

him. The Directors shall be paid such further remuneration, if any, either on the basis of percentage on the net profits of the Company or otherwise, as the Company in General Meeting shall from time to time determine, and such additional remuneration and further remuneration shall be divided amongst the Directors in such proportion and manner as the Board may from time to time determine, and in default of such determination, shall be divided amongst the Directors equally.

(2) The Board of Directors may in addition allow and pay to any Director who is not a bonafide resident of the place where a meeting of the Board or Committee or a General Meeting of the company is held, and who shall come to that place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for his traveling, hotel, boarding, lodging, and other expenses incurred in addition to his fee for attending or returning from meetings of the Board of Directors or any Committee thereof or General Meetings of the Company.

(3) Subject to the limitations provided by the Act and this Articles, if any, Director shall be called upon to go or reside out of his usual place of residence on the Company's business or otherwise perform extra services outside the scope of his ordinary duties, which expression shall include word done as a committee of the Board the Board may arrange with such Director for such special remuneration for such service either by way of salary, commission, or the payment of a stated sum of money as they shall think fit, in addition to or in substitution of his remuneration above provided, and all the directors shall be entitled to be paid or reimbursed or repaid any traveling, hotel and other expenses incurred or to be incurred in connection with the business of the Company and also to be reimbursed all fees for filling all documents which they may be required to file under the provisions of the Act.

139. The Continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions of the Act, if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Continuing Directors may act for the purposes of increasing the number of directors to the minimum fixed or for summoning a General Meeting of the Company.

140. (1) Subject to the provisions of Section 283(2) of the Act, the office of a Director shall become vacant if:

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to the adjudicated an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he fails to pay call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government has by

- notification in the Official removed the disqualification incurred by such failure; or
- (e) he holds any office or place of profit under the Company or any subsidiary thereof in contravention of Section 314 of the Act; or
  - (f) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or
  - (g) he becomes disqualified by an Order of the Court under Section 203 of the Act; or
  - (h) he is removed in pursuance of Section 28 of the Act; or
  - (i) he (whether he himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a Director accepts a loan or any guarantee or security of a loan, from the Company in contravention of Section 295 of the Act; or
  - (j) he acts in contravention of Section 299 of the Act, and by virtue of such contravention shall have been deemed under the Act to have vacated office; or
  - (k) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
  - (l) he having been appointed a Director by virtue of his holding any office or other employment in the Company, ceases to hold such office or other employment in the Company.
  - (m) Subject to the provisions of the Act, a Director may resign his office at any time by Notice in writing addressed to the Company or to the Board.

141. (1) Subject to the provisions of sub-clauses (2), (3), (4) and (5) of this Article and the restriction imposed by Article 148 and other Articles hereof and the Act and the observance and fulfillment thereof, no Director shall be disqualified by his office from contracting with the company for any purpose and in any capacity whatsoever including either as vendor, purchaser, agent, broker, underwriter of shares and debentures of the Company or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the company in which any Director shall be in any way interested be avoided, nor shall any Director, so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relationship thereby established, but it is hereby

declared that nature of his interest must be disclosed by him as provided by sub-clauses (2), (3) and (4) hereof.

(2) Every Director who is in any way whether directly or indirectly concerned or interested in any 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 of Directors or as provided in sub-clause (3) hereof:

- (a) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under sub-clause (2) above shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting, concerned or interested in the proposed contract or interested in the proposed contract of the Board, held after he becomes so concerned or interested..
- (b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board, held after the Director becomes concerned or interested in the contract or arrangement.

(3) For the purpose of this Article, a General Notice given to the Board of Directors by a 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 sufficient disclosure of such concern or interest in relation to any contract or arrangement so made. 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 have otherwise expired. The General Notice as aforesaid and any renewal thereof shall be of no effect unless either it is given at a meeting of the Board of Directors 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.

(4) Nothing contained in sub-clauses (2) and (3) hereof shall apply to any contract or arrangement entered into or to be entered into between the company and any other company where any one of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid up share capital in the other Company.

(5) A Director shall not take any part in the discussions 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 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 discussions or vote; and if he does vote, his vote shall be void; Provided that this prohibition shall not apply:

- (i) to any contract of indemnity against any loss which the Directors or any or more of them may suffer by reason or becoming or being sureties or a surety for the Company;
- (ii) to any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely in his being a Director of such company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the Company or in being a member holding not more than two per cent of the paid up share capital of such company;
- (iii) in case a notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.

142. (1) The Company shall keep one or more Registers in accordance with Section 301 of the Act in which shall be entered separately particulars of all contracts or arrangements to which Section 297 or Section 299 of the Act applies including the following particulars to the extent they are applicable in each case, namely:-(a) the date of the contract or arrangement;

- (b) the names of the parties thereto;
- (c) the principal terms and conditions thereof;
- (d) in the case of a contract to which Section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies, the date on which it was placed before the Board;
- (e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.

(2) Particulars of every such contract or arrangement to which Section 297 of the Act, or as the case may be, sub-section (2) of Section 299 of the Act applies, shall be entered in the relevant Register as aforesaid:

- (a) in the case of a contract or arrangement requiring the Board's approval within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;

- (b) in the case of any other contract or arrangement within seven days of the receipt at the Registered Office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement whichever is later;

and the Register shall be placed before the next meeting of the Board and shall then be signed by all the Director present at the meeting.

(3) The Register as aforesaid shall also specify, in relation to each Director of the company, the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act.

(4) Nothing in the foregoing sub-clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials or service if the value of such goods and materials or the cost of such goods and materials or the cost of such services does not exceed one thousand rupees in the aggregate in any year.

(5) the Registered aforesaid shall be kept at the Registered Office of the Company and they shall be open to inspection at such office and extracts may be taken from any of them and copies thereof may be required by any member of the Company to the same extent in the same manner and on payment of the same fees in the case of the Register of Members.

143. A Director of the Company may be, or become a Director of any company promoted by the Company, or in which it may be interested as a vendor, member or otherwise and subject to the provisions of the Act and these Articles, no such Director shall, subject to the applicable provisions of the Act, be accountable for any benefits received as a director or member of such company.

144. A Director, Managing Director, Manager or Secretary of the Company shall within twenty days of his appointment to or relinquishment of his office as Director, managing Director, manager or secretary in any other body corporate disclose to the Company the particulars relating his office in the other body corporate which are required to be specified under Section 303(1) of the Act. The Company shall enter the aforesaid particulars in a Register kept for that purpose in conformity with Section 303 of the Act. The Company shall also furnish the aforesaid particulars to the Registrar in accordance with Section 303(2) of the act.

145. Every Director shall give notice in writing to the company of his holding of shares and debentures of the company or its subsidiary, together with such particulars as may be necessary to enable the company to comply with the provisions of Section 307 of the Act. If such

notice be not given at a meeting of the Board, the Director or Manager shall take reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The company shall enter the particulars of the Directors' holding of shares and debentures as aforesaid in a Register kept for the purpose in conformity with Section 307 of the Act.

146. No Director of the company and no partner or relative of such director, no firm in which such Director or a relative of such director is a Director, or member, and no Director or manager of such a private company, shall hold any office or place of profit under the company, or any subsidiary of the company except as provided in and subject to the limitations and restrictions contained Section 314 of the Act.

147. The Company shall observe the restrictions imposed on the company in regard to grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions, if any, of the Act.

148. A Director of the company or his relative, 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 sale, purchase or supply of any goods, materials or service; or
- (b) for underwriting the subscription of any shares in or debentures of the Company;

Except as provided in and subject to the limitations and restrictions contained in Section 297 of the Act.

#### **RETIREMENT OF AND ROTATION OF DIRECTORS**

\*149. (1) Subject to the provisions of Section 255 of the Act, all Directors of the Company, (other than the non-retiring Directors appointed under Article 130, the Directors, if any, appointed pursuant to Articles 131 and 132 and the Managing Director) shall be elected by the Members in general meeting and shall be liable to retire by rotation as hereinafter provided.

(2) At every Annual General Meeting 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 the office.

150. Subject to the provisions of the Act and these Articles, the directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves be determined by lot. Subject to the provisions of the Act, a retiring Director shall remain in office until the

conclusion of the meeting at which his re-appointment is decided or his successor is appointed.

151. Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for election.

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

153. (1) If the place of the retiring Directors is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.

(2) If at the adjourned meeting also the place of retiring Director or Directors is not filled and that meeting also has not expressly resolved not to fill the vacancy the retiring Director or Directors shall be deemed to have been re-appointed as the adjourned meeting unless :- (a) at that meeting or at the previous meeting a resolution for the re-appointment of such Director or Directors has been put to the meeting and lost;

- (b) the retiring Director or Directors has or have by a notice in writing addressed to the company or its Board of Directors, expressed his or their unwillingness to be so re-appointed.
- (c) he is or they are not qualified or he is or they are disqualified for appointment;
- (d) a resolution whether special or ordinary, is required for their appointment or re-appointment by virtue of any provisions of the Act;
- (e) Article 135 or sub-section (2) of Section 263 is applicable to the case.

154. (1) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member intending to propose him has, at least fourteen clear days before the meeting, left at the Registered 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.

(2) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the company a notice under sub-clause (1) of this Article or Section 257 signifying his candidature for the office of a Director) proposed as candidate for the office of a

Director shall sign and file with the company, his consent in writing to act as a Director if appointed.

(3) On receipt of the notice referred to in this Article, the Company shall inform its members of the candidature of that person for the office of a Director or of the intention of a member to propose such person as a candidate for that office by serving individual notices on members not less than seven days before the meeting provided that it shall not be necessary for the company to serve individual notices upon the members if the company advertises such candidature or intention not less than seven days before meeting in at least two newspapers circulating in the City, town or village in which the Registered Office of the company is situate of which one is published in the English language and the other in the regional language.

(4) A person other than:

- (a) A Director re-appointed after retirement by rotation or immediately on the expiry of his term of office; or
- (b) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office; or
- (c) a person named as a Director of the Company under these Articles as first registered; shall not act as a Director of the Company unless he has within thirty days of appointment signed and filed with the Registrar his consent in writing to act as such Director.

155. At a General Meeting of the Company, a motion shall not be made for the appointment 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. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time to its being so moved provide that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

156. (1) The Company may, subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles remove any Director before the expiry of his period of office.

(2) Special notice as provided by Article 96 and Section 190 of the Act shall be given, of any resolution to remove a Director under this Article or to appoint some other person in placed of a Director so removed at the meeting at which he is removed.

(3) on receipt of notice of any such resolution to remove a Director under this Article, the Company shall

forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

(4) Where notice is given of a resolution to remove a Director in this Article and the director concerned makes, with respect thereof, representation in writing to the Company (not exceeding a reasonable length) and requests its notification to members of the Company, the Company shall unless the representation is received by it too late for it to do so (a) in the notice of the resolution given to the members of the Company state the fact of the representation having made and (b) send a copy of the representation to every member of the company and if a copy of the representation is not sent as aforesaid because it was received too late or because of the Company's default the Director may (without prejudice to his right to be heard orally) that the representation shall be read out at the meeting. Provided that copies of the representation shall not be read out at the meeting if on the application either of the company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.

(5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the company in General Meeting or by the Board in pursuance of Article 135 or Section 262 of the Act be filled by the appointment of another Director in his seat by the meeting at which he is removed provided special notice of the intended appointment has been given under sub-clause 2) hereof. A director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.

(6) If the vacancy is not filled under Sub-clause (5) it may be filled as a Casual Vacancy in accordance with the provisions (in so far they are applicable) of Article 135 or Section 262 of the Act and all the provisions of the Section shall apply accordingly.

(7) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.

(8) Nothing contained in this Article shall be taken:-

- (a) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as Director, or
- (b) as derogating from any power to remove a Director which may exist apart from this Article.

157. Subject to the provisions of the Act and these Articles, the Company may by ordinary Resolution from time to time increase or reduce within the maximum limit permissible, the number of Directors. Provided that any

increase in the number of Directors exceeding 12 shall not have any effect unless approved by the Central Government and shall become void if and in so far as it is disapproved by the Government.

#### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

158. The Directors may meet together as a Board from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year, and they may adjourn and otherwise regulate their meetings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board, which had been called in compliance with the terms herein mentioned could not be held for want of quorum.

159. A Director or the Managing Director may at any time and the Secretary upon the request of a Director shall convene a meeting of the Board. At least 10 clear days' notice of every meeting of the Board shall be given to each of the Directors, whether in or outside India, including their alternates, if any, by registered airmail, telex or telegram provided however that a meeting of the Board may be convened and held without any prior notice as aforesaid or on less than 10 clear days' notice with the prior written consent of three fourths' majority of the Directors. Consent by telex or telegram shall constitute consent in writing for the purpose of this Article. Notice of every meeting of the board shall be given to every Director for the time being in India at his usual address in India and in the case of Directors residing outside India at their usual address both outside and in India. In the case of Directors residing outside India notice shall be sent by cable or telex.

160. Subject to the provisions of Section 287 and other applicable provisions (if any) of the Act, the quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board of Directors (excluding Directors, if any, whose places may be vacant at the time, and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of remaining Directors, that is to say the number of Directors who are not interested and are present at the meeting, not being less than two shall be the quorum during such meeting. "Subject to the provisions of Article 164". A meeting of the directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of directors generally.

161. If a meeting of the Board of Directors cannot be held for want of a quorum then the meeting shall stand adjourned to such other time and place as may be fixed by the Chairman and in default of such appointment to

the same day in the next week at the same time and place or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place or to such day, time and place as the directors present may determine.

162. The Board shall appoint as Chairman one of the Directors designated or nominated by Birla. Such nomination or designation may be by notice in writing signed by the Managing Director or other Director or Secretary of Birla and addressed to the Board. The Board shall, if so required by Birla by similar notice in writing addressed to the Board, remove the Director so appointed from the office of Chairman. On each vacancy occurring in the office of the Chairman from any cause, whether by death, resignation, removal or otherwise, the Board shall appoint as Chairman such other Director in the vacancy as may be designated or nominated by Birla.

163. The Chairman of the Board shall be entitled to take the chair at every meeting of the Board. If no Chairman is appointed in pursuance of Article 162 or if at any meeting of the Board the Chairman shall not be present at the time appointed for holding the same or if he shall be unable or unwilling to take the Chair then the Directors may elect one of their number to be the Chairman of the meeting.

\*164. Any questions arising or decision taken at a Meeting of the Board of Directors or any Committee thereof shall be decided by a majority of the votes and in the case of an equality of votes, the Chairman shall have a second or a casting vote, which he may cast at his sole discretion.

165. Subject to the provisions of Section 292 of the Act and these Articles the Board may delegate any of their powers to Committees of the Board consisting of such member or Members of its body, as it thinks fit and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to persons or purposes; but every Committee of the Board so formed shall, in the exercise of the powers so delegated to it conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act and these Articles, the Board from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles and may pay the same.

166. The meetings and proceedings of any such Committee of the Board shall be governed by the provisions herein contained in respect of the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

\*167. (1) A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 165 shall, subject to the provision of sub-clause (2) hereof and the Act be as valid and effectual as a resolution duly passed at a meeting of the Board or of its committee duly called and held.

(2) No resolution shall be deemed to have been duly passed by the Board, by circulation, unless the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors for the time being who are entitled to vote on the resolution.

168. Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or person acting as aforesaid or that they or any of them were or was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, may be as valid as if every such person had been duly appointed and was qualified to be a Director, and had not vacated his office or his appointment had not been terminated; Provided that nothing in this Article shall be deemed to give validity to acts done by the Directors after their appointment had been shown to the Company to be invalid or to have been terminated.

169. The Company shall cause minutes of the meetings of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 193 of the Act. The minutes shall contain a fair and correct summary of the proceedings of the meeting including the following:-(i) the names of the Directors present at the

meeting of the Board of Directors or any Committee thereof;

- (ii) All orders made by the Board of Directors;
- (iii) All resolutions and proceedings of meetings of the Boards of Directors and Committees thereof;
- (iv) In the case of each resolution passed at a meeting of the Board of Directors or Committee thereof the names of directors if any, dissenting from or not concurring in the resolution.

170. All such minutes shall be signed by the Chairman of the concerned meeting or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolution records, and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

## POWERS OF DIRECTORS

171. (1) Subject to the provisions of the Act and these Articles the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized 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 any other Act or by the Memorandum or these Articles or otherwise to be exercised or done by the company in General Meeting. Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or any other Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made there under, including regulations made by the Company in General Meeting.

(2) No regulations 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.

172. Subject to the provisions of Sections 293 and 293A of the Act, the Board of Directors shall not, except with the consent of the Company in General Meeting by Special Resolution:

- (a) sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking;
- (b) remit or give time for the repayment of any debt due by a Director;
- (c) invest otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in sub-clause (a) above or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried only or can be carried on only with difficulty or only after a considerable time;
- (d) borrow moneys in excess of the limits provided in Article 79;
- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand Rupees or five percent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.

173. (1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the

Company and it shall do so only by means of resolutions passed at meeting of the Board:

- (a) The power to make calls on share holders in respect of moneys unpaid on their shares;
- (b) The power to issue debentures;
- (c) The power to borrow moneys otherwise than on debentures;
- (d) The power to invest the funds of the Company;
- (e) The power to make loans.

Provided that the Board may, by a resolution passed at a meeting delegate to any Committee of Directors or the Managing Director or any other principal officer of the Company or to a principal officer of any of its branch offices, the powers specified in sub-clauses (c), (d) and (e) of this clause to the extent specified below on such conditions as the Board may prescribe.

(2) Every resolution delegating the power referred to in Sub-clause (1) (e) shall specify the total amount up to which loans, may be made, the purposes for which the loans may be made and the maximum amount of loans which may be made.

(3) Every resolution delegating the power referred to in sub-clause (1) (d) shall specify the total amount up to which the funds may be invested and the nature of the investments which may be made by the delegate.

(4) Every Resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate. Provided however, that where the Company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit, or other accounts, the actual day to-day operation on overdraft, cash credit or other account by means of which the arrangement as made is actually availed of shall not require the sanction of the Board.

(5) Nothing contained in this Article shall be deemed to 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 referred to in sub-clauses (a), (b), (c), (d) and (e) of Clause (1) above.

174. Without prejudice to the powers conferred by Articles 79 and 171 and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in Articles 172 and 173, it is hereby, declared that the Directors shall have the following powers, that is to say power:

- (1) to pay all costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company and to the issue of further capital;
- (2) to pay and charge to the capital of the Company any commission or interest lawfully payable there out under the provisions of Section 76 and 208 respectively of the Act and Articles 15 and 185;
- (3) subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property, rights or privileges which the company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (4) at their discretion and subject to the provisions of the Act to pay for any property rights or privileges acquired, by or services rendered to the Company, either wholly or partly in cash, or in shares, bonds, debentures, debenture-stock, mortgage or other securities of the company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture-stock, mortgage or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (5) to insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, plant, machinery, goods, vessels, vehicles, stores, produce and all other moveable and immovable property of the company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery, and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;
- (6) to open accounts with any bank or bankers or with any company or firm or individual and to pay money into and draw money from or otherwise operate any such account from time to time as the Board may think fit;
- (7) to secure the fulfillment of any contracts or engagements entered into by the company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit;
- (8) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company or in payment for services rendered to the company such conditions as to the transfer thereof as they think fit;

- (9) to accept from any member, as far as may be permissible by law, a surrender of his shares or stock or any part thereof, on such terms and conditions as shall be agreed;
- (10) to appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the company or in which it is interested, or for any other purposes, and to execute and to do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees;
- (11) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise, concerning the affairs of the company and also to compound and allow time for payment or satisfaction of any debt due, or of any claims or demands by or against the company;
- (12) to refer any claims or demands by or against the Company or any disputes or differences to arbitration and observe, perform and execute any awards made thereon;
- (13) to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (14) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (15) to determine from time to time who shall be entitled to sign on the Company's behalf bills, notes receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purposes;
- (16) subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such securities and other investments (not being shares of the Company) or without security and in such manner as they may think fit, and from time to time to vary or realize such investments, provided that save as permitted by Section 49 of the Act, all investments shall be made and held by the Company in its own name;
- (17) to execute in the name and on behalf of the company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the company such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants, provisions and agreements as shall be agreed;
- (18) to distribute by way of bonus among the staff of the Company as part of the profits of the Company, and to give any officer or other person employed by the company a commission on the profits of any particular business of transaction and to charge such bonus or commission as part of the working expenses of the Company;
- (19) subject to the provisions of the Act to give any officer or other person employed by the Company an interest in any particular business or transaction by way of share in the general profits of the Company and such share of profits shall be treated as a part of the working expenses of the Company.
- (20) to provide for the welfare of employees or ex-employees of the Company and its Directors or ex-Directors and the wives, widows and families or the dependants of such persons, by building or contributing to the building of houses, dwellings or quarters or by grant of money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payment or by creating and from time to time subscribing or contributing to provident and other funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other forms of assistance, welfare or relief as the Directors shall think fit and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public aid and general utility or otherwise.
- (21) before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to create a Depreciation Fund, Insurance Fund, General Reserve Fund, Reserve Fund, Sinking or any special or other fund or funds or account or accounts to meet contingencies, or to repay Redeemable preference shares, debentures or debenture-stock or for special dividends, or for equalizing dividends, or for repairing improving, extending and maintaining any part of the property of the Company, and/or for such other purposes (including the purposes referred to in the last two preceding sub-clauses) as the Board may in its absolute discretion think conducive to the interests of the company and to invest the several sums so set aside or so much thereof as are required to be invested upon such investments (subject to the restrictions imposed by the Act and these Articles) as the Directors may think fit and from time to time to deal with and vary and such investments and

- dispose of and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit, with full power to transfer the whole or any portion of Reserve Fund or division of a Reserve fund to another Reserve Fund or division of a Reserve Fund and to employ the assets constituting all or any of the above funds or accounts including the Depreciation fund appropriated out of the net profits in the business of the company or in the purchase or repayment of Redeemable Preference shares, debentures or debenture-stock and that without being bound to keep the same separately from the other assets, and without being bound to pay or allow interest on the same with power however to the Board at its discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper;
- (22) subject to the provisions of the Act, to appoint and at their discretion to remove or suspend such managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments or remunerations, and require security in such instances and to such amounts as they may think fit, and also without prejudice as aforesaid from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in sub-clauses (24), (25), (26) and (27) following shall be without prejudice to the general powers conferred by this sub-clause;
- (23) to comply with the requirements of any local law which the Company is not bound to comply with but which in their opinion it shall be in the interests of the Company necessary or expedient to comply with;
- (24) from time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such Local Board, or managers or agents and to fix their remuneration;
- (25) subject to the provisions of Section 292 of the Act and Article 173 from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or any managers or agents so appointed any of the powers, authorities, and discretions for the time being vested in the Board of Directors, and to authorize the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding such vacancies; and any such appointment or delegation under the preceding and this sub-clause may be made on such terms and subject to such conditions as the Board of Directors may think fit and the Board of Directors may at any time remove any persons so appointed, and may annul or vary any such delegation.
- (26) at any time and from time to time by Power of Attorney to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions, (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors at a meeting of the Board under the Act or these Articles or by the Company in General Meeting) and for such period and subject to such conditions as the Board of Directors may from time to time think fit, and any such appointment may (if the Board of Directors think fit) be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any company, or the members, directors, nominees or managers of any Company, firm or otherwise in favour of any body of persons whether nominated directly or indirectly by the Board of Directors and any such Powers of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board of Directors may think fit and may contain powers enabling any such delegate or Attorneys as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in them;
- (27) subject to the provisions of the Act and these Articles, to delegate all or any of the powers, authorities and discretions for the time being vested in the Directors to any persons, firm, company, otherwise to fluctuating body of persons as aforesaid;
- (28) subject to the provisions of the Act and these Articles for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.

### **MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR**

175. Subject to the provisions of the Act and of these Articles, the Board may from time to time appoint one or more of its members as Managing Director or Managing Directors Whole-time Director or Whole-time Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as it may think fit and subject to the provisions of the Act and of Article 176, the Board may by resolution vest in such Managing Director or Whole-time Director such of the powers hereby vested in the Board as it thinks fit, and such powers may be made exercisable for such period or periods and upon such condition and subject to such restrictions as it may determine.

176. The Managing Director or Managing Directors or the Whole-time Director or Whole-time Directors shall not exercise the powers to :-

- (a) make calls on shareholders in respect of money unpaid on their shares in the Company, and
- (b) issue debentures;

and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors shall also not exercise the powers to:

- (c) borrow moneys,
- (d) invest the funds of the Company, and
- (e) make loans;

177. Subject to the provisions of the Act and of these Articles, the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors shall not, while he or they continued to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him or them and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso facto and immediately cease to be Managing Director or Managing Directors or Whole-time Director or Whole-time Directors if he or they cease to hold the office of Directors for any cause.

178. Subject to the provisions of the Act and these Articles, the remuneration of the Managing Director or Managing Directors or Whole-time director or Whole-time Directors shall be in accordance with the terms of his or their contract with the Company.

179. Subject to the provisions of Section 293 and other provisions of the Act, and subject to the superintendence, control and directions of the Board of Directors, the day to-day management of the Company shall in the hands of the Managing Director. The Board may from time to time,

entrust to and confer upon the Managing Director or Managing Directors for the time being such of the powers exercisable by the Directors under these presents as they may think fit to be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as they think fit; and they may confer such powers, either collaterally with or to the exclusion, of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

### **SECRETARY**

180. The Directors shall appoint a whole-time Secretary of the company for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. The main functions of the Secretary shall be the responsibility for maintaining Registers required to be kept under the Act and these Articles, for making the necessary returns to the Registrar of Companies under the Act and these Articles and for getting the necessary documents registered with the Registrar and for carrying out all other administrative and ministerial acts, duties and functions which a Secretary of a Company is normally supposed to carry out such as giving the necessary notices to the members, preparing the agenda of meetings, issuing notices to Directors, preparing minutes of meetings of members and Directors and of any Committees of Directors and maintaining minute books and other statutory documents and, he shall carry out and discharge such other functions and duties as the Directors or the Managing Director may from time to time require him to do. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

### **REGISTERS, BOOKS AND DOCUMENTS**

181. (1) The Company shall maintain all; Registers, Books and documents as required by the Act or these Articles including the following namely:-
- (a) Register of Investments not held in the Company's name according to Section 49 of the Act;
  - (b) Register of Mortgages, Debentures and charges according to Section 143 of the Act;
  - (c) Register of Members and an Index of Members according to Section 150 and 151 of the Act;
  - (d) Register and Index of debenture-holders according to Section 152 of the Act;
  - (e) Register of Contracts, Companies and Firms in which Directors are interested according to Section 301 of the Act;
  - (f) Register of Directors and Managing Directors according to Section 303 of the Act;

- (g) Register of Shareholdings and Debenture holdings of Directors according to Section 307 of the Act;
- (h) Register of loans made, guarantees given or securities provided according to Section 370 of the Act;
- (i) Register of Investments in shares or debentures of bodies corporate according to Section 372 of the Act;
- (j) Books of Account in accordance with the provisions Section 209 of the Act;
- (k) Copies of instruments creating any charge requiring registration according to Section 136 of the Act;
- (l) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of the certificate required under Section 161;
- (m) Register of Renewed and Duplicate Certificates according to Rule 7(2) of the Companies (Issue of Share Certificates) Rules, 1960.

(2) The said Registers Books and Documents shall be maintained in conformity with the applicable provisions of the Act and these Articles and shall be kept open for inspection for such persons as may be entitled thereto respectively, under the Act and these Articles on such days and during such business hours as may in that behalf be determined in accordance with the provisions of the Act and these Articles and extracts there from shall be supplied to those persons entitled thereto in accordance with the provisions of the Act and these Articles.

(3) The Company may keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act. Subject to the provisions of Sections 157 and 158 of the Act, the Directors may from time to time make such provisions as they may think fit in respect of the keeping of Branch Registers of Members and/or Debenture-holders.

### **THE SEAL**

182. The Board shall provide a Common Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by or under the authority of the Board or a Committee of the Board previously given.

183. Subject to the provisions relating to the issue of share certificates, every deed or other instrument to which the Seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney of the company, be signed by two Directors or one Director and the Secretary or in place of the Secretary some other person appointed by the Board for the purpose. Provided

nevertheless that certificates of debentures may be signed by one Director only or by the Secretary of the company or by a duly constituted attorney of the Company and certificates of shares shall be signed as provided in Article 16.

184. The company may exercise the powers conferred by Section 50 of the Act and such power shall accordingly be vested in the Directors.

### **INTEREST OUT OF CAPITAL**

185. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthy period, the company may pay interest on so much of that share capital as is for the time being paid up for the period, at the rate, and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the works or building or the provision of the plant.

### **DIVIDENDS**

186. The profits of the Company, subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid-up on the shares held by them respectively. Provided always that any capital paid up or credited as paid up on a share during the period in respect of which a dividend is declared shall, unless the terms of issue otherwise provide only entitle the holder of such share to an apportioned amount of such Dividend proportionate to the capital from time to time paid up during such period on such share.

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

188. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share where a large amount is paid up or credited as paid up on some shares than on others.

188A.No dividend shall be declared or paid except out of the profits of the Company determined in accordance with the provisions of Section 205 of the Act or out of monies provided by the Central or a State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividends shall carry interest as against the Company. The declaration of the Board as to the amount of profits of the Company shall be conclusive.

189. The Company in General Meeting may subject to the provisions of Section 205 of the Act, declared a dividend to be paid to the members according to their respective rights and interests in the profits and subject to the provisions of the Act, may fix the time for payment. When a dividend has been so declared, subject to the

provisions of Section 207 of the Act either the dividend shall be paid or the warrant in respect thereof shall be posted within 42 days of the date of the declaration to the share holders entitled to the payment of the same.

190. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No Dividend shall be payable except out of the profits of the year or any other undistributed profits of the company, or otherwise than in accordance with the provisions of Sections 205, 205A, 206 and 207 of the Act, and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

191. Subject to the provisions of the Act, the directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the company justifies.

192. Subject to the provisions of the Act the Directors may retain the dividends payable upon any shares in respect of which any person is under Article 58 hereof, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same. The provisions of this Article shall apply to any interest created in a share either by reason of transmission by operation of law or otherwise.

193. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

194. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

195. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the Registered address of the member or person entitled or in case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or other person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

195A. Any one of several persons who are registered as the joint holders of any share may give effectual receipts

for all dividends and payments on account of dividends in respect of such share.

196. "No unclaimed dividend shall be forfeited by the Board and" the Company shall duly comply with the provisions of Section 205-A of the Act in respect of a dividend declared by it but which has not been paid or the warrant in respect thereof has not been posted within forty-two days from the day of declaration to any shareholder entitled to the payment of the Dividend.

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

### **RESERVE AND CAPITALIZATION**

198. The Board may, before recommending any dividend set aside out of the profits of the company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or as may be permitted by the Act, applied for payment of dividend or be invested in such investments and in such manner or as may be permitted by the Act and as the Board may from time to time think fit.

199. (1) Any General Meeting of the company on the recommendation of the Board may resolve that any amounts standing to the credit of the Share Premium Account, the Capital Redemption Reserve Account, or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and where permitted by law from the appreciation in value of any capital assets of the Company standing to the credit of the General Reserve) or any other Reserve or Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalized:-

- (a) By the issue and distribution as full paid up shares of the Company and to the extent permitted by the Act, debentures, debenture stock, bonds or other obligations of the Company; or
- (b) By crediting shares of the Company which may have been issued to and are not full paid up, with the whole or any par of the sum remaining unpaid thereon.

Provided that any amounts standing to the credit of the Share Premium Account or the Capital Redemption Reserve Accounts shall be applied only in crediting the

payment of capital on shares of the Company to be issued to members (as herein provided) as full paid bonus shares.

(2) Such issue and distribution under sub-clause (1) (a) above and such payment to credit of unpaid share capital under sub-clause (1) (b) above shall be made to among and in favour of the members or any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under sub-clause (1) (a) or payment under sub-clause (1) (b) above shall be made on the footing that such members become entitled thereto as capital.

(3) The Directors shall give effect to any such resolution and shall apply such portion of the profits, General Reserve or other Reserve or any other Fund or Account as aforesaid as may be required for the purpose of making payment in full of the shares, debentures, debenture-stock, bonds or other obligations of the Company so distributed under sub-clause (1) (a) above or (as the case may be) for the purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under sub-clause (1) (b) above.

(4) For the purpose of giving effect to any such resolution, the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificate and may fix the value for distribution of any specified assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or other obligations and fractional certificates or otherwise as they may think fit.

(5) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalization may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares and the partly paid shares, the sum so applied on the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

(6) When deemed requisite, a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

## ACCOUNTS

200. (1) As required by Section 209 of the Act, the Company shall keep at its Registered Office proper Books of Account with respect to :-

- (a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company;

Provided that all or any of the books of accounts aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides, the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

(2) If the company shall have a branch office, whether in or outside India, proper Books of Account relating to the transactions effected at that office shall kept at that office, and proper summarized returns, made up to date at intervals of not more than three months shall be sent by the branch office of the Company to its Registered Office other place in India, as the Board thinks fit where the main books of the Company are kept.

(3) All the aforesaid books shall give a true and fair view of the affairs of the Company or its branch office, as the case may be with respect to the matters aforesaid, and explain its transactions.

(4) The Books of Account and other books and paper shall be open to inspection by any Directors during business hours.

201. The Books of Account of the Company 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 by the Company in good order.

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

203. At every Annual General Meeting, the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 210 of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Sections 210, 211, 212, 215, 216 and of Schedule VI of the Act so far they are applicable to the Company.

204. There shall be attached to every Balance Sheet laid before the Company a Report by the Board of Directors complying with the provisions of Section 217 of the Act.

205. The Company shall comply with the requirements of Section 219 of the Act.

### ANNUAL RETURNS

206. The Company shall make and file the requisite Annual Returns in accordance with the provisions of Sections 159 and 161 of the Act.

### AUDIT

207. Once at least in every year the Books of Account of the Company shall be examined by one or more Auditors in accordance with the relevant provisions contained in that behalf in the Act.

208. (1) The Company shall at each Annual General Meeting by Special Resolution appoint or re-appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting.

(2) The appointment, qualifications, powers, rights, duties and remuneration of the Auditors shall be regulated by and in accordance with Sections 224 to 231 (both inclusive) of the Act.

209. Every Account when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof, whenever any such error is discovered within that period the Account shall forthwith be corrected and thenceforth shall be conclusive.

### DOCUMENTS AND SERVICE OF DOCUMENTS

210. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgment or any other document in relation to or in the winding up of the Company) may be served or sent by the company on or to any member either personally or by sending it by post to him at his registered address or (if he has no registered address in India) at the address, if any, within India supplied by him to the Company.

(2) Where a document is sent by post:-(a) service thereof shall be deemed to be effected by property addressing, prepaying and posting

a letter containing the notice provided that where a member has intimated to the Company in advance that documents should be sent to him under certificate of posting or by courier service specified by member 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 shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

(b) such service shall be deemed to have been effected:

(i) in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted to an address in India and at the expiration of six days after the letter containing the notice is posted to an address outside India; and

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

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

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

213. Subject to the provisions of the Act and these Articles notices of General Meetings shall be given:

(i) to members of the company as provided by Article 90 in any manner authorized by Article 93 or as authorized by the Act;

(ii) to the person entitled to a share in consequence of the death or insolvency of a member as provided by Article 212 or as authorized by the Act;

(iii) to the Auditor or Auditors for the time being of the company, in any manner authorized by Article 94 or as authorized by the Act as in the case of any member or members of the Company.

214. Subject to the provisions of the Act any document required to be served or sent by the Company on or to the members, or any of them, and not expressly provided for by these presents shall be deemed to be duly served or sent if advertised once in one daily English and one daily vernacular newspaper circulating in the district in which the Registered Office of the Company is situate.

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

216. Any notice to be given by the Company shall be signed by the Managing Director or; Secretary or by such Director or Officer as the Directors may appoint and such signature may be written or printed or lithographed.

217. All notices to be given on the part of the members to the Company, shall be kept at or sent by post under certificate of posting or by registered post to the Registered Office of the Company.

#### **AUTHENTICATION OF DOCUMENTS**

218. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Director or an authorized Officer of the company and need not be under a seal.

#### **RECONSTRUCTION**

219. On any sale of the undertaking of the Company, the Board or Liquidator on a winding-up may, if authorized by a Special Resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not, either then existing or to be formed for the purpose in whole or in part of the property of the company, and the Board (if the profits of the Company permit) or the Liquidator (in a winding-up) may distribute such shares or securities or any other property of the company amongst the members without realization, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of cash, shares or other securities, benefit or property otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up such statutory rights, if any, under Section 494 of the Act as are incapable of being varied or excluded by these Articles.

#### **WINDING UP**

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

(1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may with the sanction of a Special Resolution but subject to the rights attached to any preference share capital, dividend amongst the contributories, in specie or kind any part of the assets of the Company and may, with the like sanction; vest any part of the assets of the company in Trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

(2) If thought expedient any such division may, subject to the provisions of the act, be otherwise in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any such division shall be determined, any contributory who would be prejudiced thereby shall have right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.

221. In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the Special Resolution, by notice in writing, intimate to the liquidator to sell his proportion and pay him the net proceeds and the liquidator shall, if practicable, act accordingly.

222. A Special Resolution sanctioning a sale to any other company duly passed pursuant to Section 494 of the Act may, subject to the provisions of the Act, in like manner as aforesaid determine that any shares or other consideration receivable by the liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said section.

**SECRECY CLAUSE**

223. (1) Every director, manager, auditors, 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 Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in relation 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 Directors 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 in these presents contained.

(2) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or the Managing Director or to require discovery of or any information respecting any detail of the company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process, which may relate to the conduct of the business of the company and which in the opinion of the Director of the Managing Director it will be inexpedient in the interest of the members of the Company to communicate to the public.

**INDEMNITY AND RESPONSIBILITY**

224. (1) Subject to the provisions of Section 201 of the Act every Director of the Company or the Managing Director, Manager, Secretary and other officer or employee of the Company and the Trustees (if any for the time being acting in relation to any of the affairs of the Company) and every one of them shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including traveling expenses) which

any such Director, Managing Director, Manager, Secretary or other officer or employee and the trustees (if any for the time being acting in relation to any of the affairs of the Company) may incur or become liable to by reason of any contract entered into or any act, deed or thing done by him as such Director, officer, employee or trustees or in any way in the discharge of his duties.

(2) Subject as aforesaid every Director Managing Director, Manager, Secretary or other Officer of employee of the company or the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified against any liability incurred by him in defending any proceeding whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given by the Court.

225. Subject to the provisions of Section 201 of the Act no Director, the Managing Director or other officer of the Company shall be liable for the acts, omissions, neglects or defaults of any Director or officer or for joining in any omission or other act for conformity, or for any loss or expenses suffered by the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency or 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 corporation, 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 happens through his own dishonesty, willful neglect or default.

\*226. "Deleted"

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

Name, address, description and occupation	No. of shares taken by each Subscriber	Signature of Subscribers	Signature, name, address, description and Occupation of Witness
Birla International Pvt. Ltd. Industry House, 159, Churchgate Reclamation, Bombay-400 020  Body Corporate	100 (One Hundred) Equity	Sd/-	Sd/- Madhav Prasad Sureka S/O. Shri Keshavdeo Sureka, C/o. M.K. Sureka & Co. Chartered Accountants, 302, Maker Bhavan No. 3, 21, New Marine Lines, Bombay – 400 020 Chartered Accountant
Ghanshyam Das Singi S/o. Late Gopaldas Singi 195, Churchgate Reclamation, Bombay-400 020  Company Executive	10 (Ten) Equity	Sd/-	
Vinod Kumar Agrawal S/o. Late Ram Ratan Agrawal Moti Mahal, 195, Churchgate Reclamation Bombay-400 020  Company Executive	210 (Two hundred Ten) Equity	Sd/-	
Ramesh Prakash Malaviya S/o. Shri Satish Prakash Malaviya, 402, Beach Queen,J.P. Road, Versova,Bombay- 400 061 Engineer	210 (Two hundred Ten) Equity	Sd/-	
Dinesh Kumar Agrawal S/o Late Shri Lakshmi Shankar Agrawal 164, Jupiter Apartment, Cuffe Parade, Bombay-400 005  Company Executive	210 (Two hundred Ten) Equity	Sd/-	
Arun Kumar Singhi Lakshman House, T.H. Kataria Marg, Matunga Road, Bombay-400 016  Company Executive	210 (Two hundred Ten) Equity	Sd/-	
Suresh Sunderlal Dalal S/o. Late Shri Sunderlal Dalal, Dalal House,73, Prabhat Colony, Santacruz (East), Bombay-400 055  Company Executive	210 (Two hundred Ten) Equity	Sd/-	
<b>TOTAL</b>	1160 (One Thousand One hundred Sixty only)		

# HIGH COURT, BOMBAY

0274500

1

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICITON

COMPANY SCHEME PETITION NO.64 OF 2012

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO.628 OF 2011

Birla AccuCast Limited ..Petitioner/First Transferor Company

AND

COMPANY SCHEME PETITION NO.65 OF 2012

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO.629 OF 2011

Birla Machining & Toolings Limited

..... Petitioner/Second Transferor Company

AND

COMPANY SCHEME PETITION NO.66 OF 2012

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO.630 OF 2011

Birla Precision Technologies Limited ...Petitioner/Transferee Company

In the matter of Companies Act, 1956;

AND

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

AND

In the matter of Scheme of Amalgamation of

Birla AccuCast Limited

AND

Birla Machining & Toolings Limited

WITH



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# HIGH COURT, BOMBAY

0274499

2

Birla Precision Technologies Limited

AND

Their respective Shareholders and Creditors

Mr. Hemant Sethi i/b. Hemant Sethi & Co., Advocates for the Petitioners in all the Petitions.

Mr. C.J Joy and Ms. Neeta Masurkar i/b Dr. T. C. Kaushik for Regional Director for Regional Director in all the Petitions.

Mrs. R. N. Suttar, Asst. Official Liquidator, present in Company Scheme Petition Nos.64 OF 2012 and 65 2012.

CORAM: S. J. KATHAWALLA, J.

DATE: 30<sup>th</sup> March 2012

P.C.:

1. Heard counsel for the parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Scheme of Amalgamation of Birla AccuCast Limited and Birla Machining & Toolings Limited with Birla Precision Technologies Limited.
3. Counsel appearing on behalf of the Petitioners has stated that the Petitioners have complied with all requirements as per directions of this Court and they have filed necessary Affidavits of compliance in the Court. Moreover, Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made there under. The said undertaking is accepted.
4. The Regional Director has filed an Affidavit stating therein that save and except as stated in paragraph 6 of the said Affidavit, it appears

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that the Scheme is not prejudicial to the interest of shareholders and public. In paragraphs 6(a) and (b) of the Affidavit, it is stated that:

(a) Shares of the Second Transferor Company and Transferee Company are listed with BSE. However, BSE while giving its 'No objection' vide letter dated 13/07/2011, has put a condition to lock-in 25% of the new equity shares to be issued to the shareholders of the first Transferor Company (BAL) i.e. 31,71,430 equity shares for a period of three years from the listing of new equity shares at BSE. Hence the Transferee Company may be directed to comply with the said condition of BSE.

(b) In clause 13(v) of the Scheme, it is stated that the balance in the "Amalgamation Reserve Account" after considering the effect of sub-clause (iv) of clause 13, shall be credited to "Securities Premium Account". In this connection it is submitted that the reserve arising out of the scheme be credited to "Capital Reserve" by the Transferee Company.

5. As far as first objection in paragraph 6(a) of the Affidavit of the Regional Director is concerned, the Transferee Company through its Counsel undertake that 25% of the new equity shares to be issued to the shareholders of the First Transferor Company i.e. 31,71,430 equity shares shall be kept in lock-in for a period of three years from the listing of new equity shares at Bombay Stock Exchange as per the condition laid down in letter dated 13<sup>th</sup> July, 2011 of the Bombay Stock Exchange. The said undertaking is accepted.
6. So far as the second objection in paragraph 6 (b) of the Affidavit of the Regional Director is concerned, the Petitioner/Transferee Company through its Counsel undertakes that the reserve arising



out of the Scheme shall be credited to the Capital Reserve of the Transferee Company. The said undertaking is accepted.

7. The Official Liquidator has filed his report in Company Scheme Petition Nos.64 of 2012 and 65 of 2012 stating therein that the Affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved by this Court.
8. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned has come forward to oppose the Scheme.
9. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No.64 of 2012 to 66 of 2012 filed by the Transferor Companies and the Transferee Company respectively are made absolute in terms of prayer clauses (a) of the respective Petitions.
10. The Petitioner Companies to lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court (O.S.), Bomba, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of this Order.
11. Petitioner Companies are directed to file a copy of this order alongwith a copy the Scheme of Amalgamation with the concerned Registrar of companies, electronically, along with E-form 21, in addition to the physical copy, within 30 days from the date of issuance of the order by the Registry.
12. Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and the Petitioner in Company Scheme Petition No.64 of 2012 and 65 of 2012 to pay



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**HIGH COURT, BOMBAY**

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costs of Rs.10,000/- each to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.

13. Filing and Issuance of the drawn up order is dispensed with.
14. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court, (O.S.), Bombay.

(S. J. KATHAWALLA, J)

**TRUE COPY**

*[Signature]*

7-4-2012

Section Officer

High Court, Appellate Side

Bombay

**TRUE-COPY**

*[Signature]*

**Mrs. K. M. RANE**

COMPANY REGISTRAR

HIGH COURT (O.S.)

BOMBAY



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**SCHEME OF AMALGAMATION  
AMONGST  
Birla AccuCast Limited - First Transferor Company  
AND  
Birla Machining & Toolings Limited - Second Transferor Company  
AND  
Birla Precision Technologies Limited - Transferee Company  
AND  
Their Respective Shareholders**

**This Scheme of Amalgamation is presented under Sections 391 to 394 read with other applicable provisions of the Companies Act, 1956, for the amalgamation of Birla AccuCast Limited and Birla Machining & Toolings Limited with Birla Precision Technologies Limited and their Respective Shareholders.**

**PREMABLE**

**Brief history of Company Seeking Approval:**

Birla AccuCast Limited, is a company incorporated under the provisions of the Companies Act, 1956 with its registered office at Dalamal House, 1<sup>st</sup> floor, 206, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021, (hereinafter referred to as the "First Transferor Company" or "BAL"), and is engaged in the business of foundry, produces shell moulded ferrous castings, straddling the entire spectrum of nodular, vermicular and Grey Cast Iron, for automotive, hydraulic and engineering industries. Birla AccuCast Limited is one of the few foundries in India with a controlled cooling line which enables production of castings with consistent microstructure. The product mix includes Turbo Charger Bearing Housings, Rocker Arm Levers, Hydraulic Actuator Cylinders, Brake Wheel Cylinders, Halter, End Yoke, Crank Shafts, and Fork Selectors. The company has implemented Quality Management Systems effectively and has been certified for ISO 9002-1994 AND QS 9000 (ISO9002-1994). It was further accredited with TS 16949:2002 in August 2004, thus becoming eligible to be a tier one supplier to the global automotive industry. Its customers include global automotive giants such as Bosch, Cummins, Knorr-Bremse, Magna, Husco and Eaton.

B. Birla Machining & Toolings Limited (formerly Dagger Forst Tools Ltd.), is a company incorporated under the provisions of the Companies Act, 1956 with its registered office S-2, 2<sup>nd</sup> Floor, Vedant Commercial Complex, Vartak Nagar, at First Pokhran Road, Thane 400606, Maharashtra (hereinafter referred to as the "Second Transferor Company" or "BMTL") and was hitherto engaged, *inter alia*, in the business of Machining of Castings and Cutting Tools. The equity shares of BMTL are listed at the Bombay Stock Exchange Limited (BSE).

C. Birla Precision Technologies Limited, is a company incorporated under the provisions of the Companies Act, 1956 with its registered office at Plot at B-15/4, M.I.D.C, Industrial Area, Waluj, Aurangabad - 431133 (hereinafter referred to as the "Transferee Company" or "BPTL"), and is engaged business of Machining of Precision Components, Manufacturing of high speed steel cutting tools, precision AT3 Class tool holders, HSK tooling, Expanding Mandrels and Sleeves besides advanced products like hydro grip and shrink fit CNC toolings. The equity shares of BPTL are listed at the Bombay Stock Exchange Limited (BSE).

D. A Scheme of Amalgamation is proposed under Sections 391 to 394 of the Companies Act, 1956 to Amalgamate the Transferor Companies into the Transferee Company.

The Scheme is divided into following parts:

Part A - dealing with definitions and share capital;

Part B - dealing with the Amalgamation of Birla AccuCast Limited and Birla Machining & Toolings Limited with Birla Precision Technologies Limited

Part C - dealing with general terms and conditions.

E. Objectives of the Scheme:

- i. Synergies in procurement, manufacturing, administration and marketing operations.
- ii. Achieving economies of scale.
- iii. Avoiding duplication of efforts, costs and resources.

- iv. Lesser regulatory / procedural compliance.
- v. Integrate, rationalize and streamline the management structure of the merged business.
- vi. Combined capital resources would strengthen the financial position of the merged entity and result in increasing leveraging capacity of the merged entity i.e. its capacity to borrow funds for business purposes.
- vii. Pooling of the human talents in terms of manpower, management, administration and marketing which would result in savings of costs.
- viii. Amalgamation of the companies would eliminate duplication of work, administrative services, and will result in cost savings.
- ix. Cost saving in fees/ duties payable on statutory and procedural compliance.
- x. Facilitate inter transfer of resources and costs and optimum utilization of assets.
- xi. Synchronizing of efforts to achieve uniform corporate policy.
- xii. Ease in decision making.
- xiii. To reflect the consolidated net worth of these companies in one balance sheet.

## PART – A DEFINITIONS

1. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:
  - 1.1 "Act" or "the Act" means the Companies Act, 1956 or any statutory modification or re-enactment thereof;
  - 1.2 "Appointed Date" For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1<sup>st</sup> April, 2010.
  - 1.3 "High Court" or "Jurisdictional High Court" means the Hon'ble High Courts of Judicature at Bombay exercising jurisdiction under section 391 to 394 of the Act.
  - 1.4 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed under Clause 15 of this Scheme.
  - 1.5 "BPTL" or the "Transferee Company" means Birla Precision Technologies Limited, a company incorporated under the Companies Act, 1956 and having its registered office at B-15/4, M.I.D.C Industrial Area, Waluj, Aurangabad – 431133;
  - 1.6 "BAL" or the First Transferor Company means Birla AccuCast Limited, a company incorporated under the provisions of the Companies Act, 1956 with its registered office at Dalamal House, 1<sup>st</sup> floor, 206, Jannalal Bajaj Marg, Nariman Point, Mumbai 400021;
  - 1.7 "BMTL" or Second Transferor Company means Birla Machining & Toolings Limited, is a company incorporated under the provisions of the Companies Act, 1956 with its registered office at S-2, 2<sup>nd</sup> Floor, Vedant Commercial Complex, Vartak Nagar, First Pokhran Road, Thane 400606, Maharashtra
  - 1.8 "Transferor Companies" mean collectively, the First Transferor Company and The Second Transferor Company;
  - 1.9 "Effective Date" means the date on which all the conditions and matters in relation to the Scheme referred to in Clause 17 of this Scheme have been fulfilled. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date;
  - 1.10 "Board of Directors" means the respective Board of Directors of Birla AccuCast Limited and Birla Machining & Toolings Limited with Birla Precision Technologies Limited or any committee constituted by such Board of Directors for the purpose of this Scheme;
  - 1.11 "Record Date" means the date to be fixed by the Board of Directors of Birla Precision Technologies Limited for the purpose of issue of Equity Shares to the shareholders of Transferor Company as per this Scheme.
  - 1.12 Interpretation:
    - 1A. The words importing the singular include the plural; words importing any gender include every gender.
    - 1B. Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.
2. **DATE OF COMING INTO EFFECT**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Courts shall be effective from the Effective Date but shall be operative from the Appointed Date.



**3. SHARE CAPITAL:**

3.1 Details of the share capital of Birla AccuCast Limited as at March 31, 2010, are given below:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
23,500,000 Equity Shares of Rs.10/- each	235,000,000
59,25,926 Optionally Convertible Preference Shares of Rs. 13.50 each	80,000,000
<b>Total</b>	<b>31,50,00,000</b>
<b>Issued, Subscribed and Paid-up capital</b>	
23,070,000 Equity Shares of Rs.10/- each	230,700,000
59,25,926 Optionally Convertible Preference Shares of Rs. 13.50 each	8,00,00,000
<b>Total</b>	<b>31,07,00,000</b>

Subsequent to its balance sheet date the capital structure of Birla AccuCast Limited has changed consequent to conversion of Optionally Convertible Preference Shares into Equity and as on date the Issued, Subscribed and Paid-up capital of Birla AccuCast Limited stands at 28,995,926 Equity Shares of Rs. 10 each aggregating to Rs. 289,959,260.

Details of share capital consequent to conversion of Optionally Convertible Preference Shares into Equity as at 27<sup>th</sup> April, 2011 are given below:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
32,000,000 Equity Shares of Rs. 10/- each	320,000,000
5925926 Optionally Convertible Preference Shares of Rs. 13.50 each	80,000,000
<b>Total</b>	<b>400,000,000</b>
<b>Issued, Subscribed and Paid up Capital</b>	
28,995,926 Equity Shares of Rs. 10/- each fully paid up	289,959,260
<b>Total</b>	<b>289,959,260</b>

3.2 Details of the share capital of the Birla Machining & Toolings Limited (BMTL) as at March 31, 2010, are given below:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
30,000,000 Equity Shares of Rs.10/- each	300,000,000
<b>Total</b>	<b>300,000,000</b>
<b>Issued, Subscribed and Paid-up capital</b>	
1,19,07,138 equity shares of Rs. 10 each fully paid up	119,071,380
<b>Total</b>	<b>119,071,380</b>

Subsequent to its balance sheet date, there is no change in Capital structure of the Birla Machining & Toolings Limited.

3.3 Details of the share capital of Birla Precision Technologies Limited as at March 31, 2010, are given below:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
25,00,00,000 Equity Shares of Rs.2/- each	500,000,000
<b>Total</b>	<b>500,000,000</b>
<b>Issued, Subscribed and Paid-up capital</b>	
32,027,996 Equity Shares of Rs.2/- each	64,055,992
<b>Total</b>	<b>64,055,992</b>

Subsequent to its balance sheet date, there has been no change in the share capital of Birla Precision Technologies Limited.

**PART B – AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY**

**4. TRANSFER AND VESTING OF UNDERTAKINGS**

4.1 Upon the coming into effect of the Scheme and on and from the Appointed Date, subject to the provisions of the Scheme, the entire business and whole of the undertaking of the Transferor Companies including all the debts, liabilities, duties and obligations and also including, without limitation, all properties and assets (whether movable or immovable, tangible or intangible, real or personal; corporeal or incorporeal of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and / or in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies) such as licences, permits, approvals, import entitlements, and registrations, permissions,

investments, computers, office equipment and furniture, books, records, paper, files, product specifications, records of standard operating procedure, computer programmes along with their licences, manuals, and back up copies, drawings other manuals, data catalogues, quotations, sales and advertisement materials and back up office, vehicles, incentives if any, and all other rights, title, interest, labels and brand registrations, copyrights, trademarks, tradenames and other industrial or intellectual property rights of any nature whatsoever, contracts, agreements, consent, approvals or powers of every kind nature and descriptions whatsoever shall under the provisions of Sections 391 to 394 of the Act and pursuant to the orders of the Jurisdictional High Courts sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date be transferred and / or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

- 4.2 Any statutory licences, permissions, approvals or consents to carry on the operations of the Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the undertaking of the Transferor Companies pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licences, approvals and consents, value added tax / sales tax registrations or other licences and consents shall vest in and become available to the Transferee Company pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Companies, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

Provided that notwithstanding anything contained in any document, papers or writings executed by the Transferor Companies, this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the Scheme and Transferee Company shall not be obliged to create any further, or additional security thereof as a condition for approval of the Scheme, after the Scheme has become effective or otherwise.

- 4.3 With effect from the Appointed Date, loans, interest or other obligations if any, due between or amongst the Transferor Companies and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities or notes issued by the Transferor Companies, and held by the Transferee Company and vice versa are concerned, the same shall, unless sold or transferred by the Transferor Companies or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Companies and the Transferee Company, as the case may be, shall have no further rights or obligations outstanding in that behalf.

- 4.4 All debts, liabilities, duties and obligations of the Transferor Companies shall, without any further act or deed stand transferred to the Transferee Company from the Appointed Date.

- 4.5 In the event that the boards of directors of the Transferee Company and the Transferor Companies so jointly decide, the transfer and vesting of movable assets referred in Clause 3.1 shall be effected as follows:

i) All the movable assets of the Transferor Companies or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand shall be physically handed over by manual delivery to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.

ii) In respect of movable assets, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the Transferor Companies shall give notice in such form as they may deem fit and proper to each party, debtor or deposittee of the Transferor Companies as the case may be, that pursuant to the Orders of the Jurisdictional High Courts sanctioning the Scheme, the said debt, loan, advances, etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Companies to recover or realise the same stands extinguished, and that such rights to recover or realize the same shall vest in the Transferee Company. The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or deposittee that pursuant to the Orders of the Jurisdictional High Courts sanctioning the Scheme, the said person, debtor or deposittee should pay the debt, loan or advance or make good the same or hold the same to the account of the Transferee Company and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Companies.

- 4.6 The Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever upto the Effective Date, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax Act, 1961. Such modification will however not affect the other parts of the Scheme.



- 4.7 All loans, raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Companies in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 4.8 The resolutions, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall be continued to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- 4.9 This Scheme shall not, in any manner, affect the rights of any of the Creditors of the Transferor Companies and the Transferee Company.

#### 5. CONTRACTS, DEEDS, ETC.

- 5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements and other instruments of whatsoever nature in relation to the Transferor Companies to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto.
- 5.2 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Companies are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliance referred to above on the part of the Transferor Companies to be carried out or performed. All the pending projects and related obligations of the Transferor Companies shall be implemented by the Transferee Company.

#### 6. STAFF, WORKMEN AND EMPLOYEES:

- 6.1 Upon the Scheme being effective, the staff, workmen or employees, if any, of Transferor Companies, as on the Effective Date, shall become and be deemed to have become the employees of the Transferee Company on the terms and conditions not less favourable than those on which they are engaged by the Transferee Company, without any break in their services and on the basis of continuity of services.
- 6.2 The existing provident fund, gratuity fund, pension and/ or superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the employees of the Transferor Companies shall become the trusts/ funds of the Transferee Company, respectively, for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such funds or trusts shall become those of Transferee Company.
- 6.3 It is clarified that services of the employees of the Transferor Companies will be treated as having been continuing for the purpose of said fund or funds.

#### 7. LEGAL PROCEEDINGS:

- 7.1 If any suit, appeal or other legal proceedings of whatsoever nature by or against the Transferor Companies are pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the Amalgamation and by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.
- 7.2 On and from the Effective Date, the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Companies referred to in clause 6.1 above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

#### 8. BUSINESS AND PROPERTY IN TRUST FOR TRANSFEEE COMPANY:

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



- i) The Transferor Companies shall be deemed to have been carrying on all business and activities and shall stand possessed of all the assets, rights, title and interest for and on account of, and in trust for, the Transferee Company;
- ii) All profits and cash accruing to the Transferor Companies, or losses arising or incurred by it (including the effect of taxes if any thereon), shall for all purposes, be treated as the profits/ cash, taxes or losses, as the case may be, of the Transferee Company;
- iii) The Transferor Companies shall not issue or allot any further securities, either rights or bonus or otherwise, without the prior written consent of board of directors of the Transferee Company.

**9. CONDUCT OF BUSINESS:**

- 9.1 The Transferor Companies will, from the Appointed Date upto and including the Effective Date, preserve and carry on the Business with reasonable diligence and prudence and agrees that it will not, without the prior written consent of the Transferee Company, alienate, charge or otherwise deal with or dispose of the business or any part thereof or recruit new employees or vary or alter the terms and conditions of employment of any of its employees (in each case except in the ordinary course of business), without the prior written consent of the Transferee Company.
- 9.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Companies.
- 9.3 On and from the Effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the business carried on by the Transferor Companies.

**10. SAVING OF CONCLUDED TRANSACTION:**

The transfer and vesting of the assets of, liabilities and obligations appertaining/ allocated to the Transferor Companies under Clause 3 hereof and the continuance of the proceedings by or against the Transferee Company under Clause 6 hereof shall not affect any transactions or proceedings already completed by the Transferor Companies on and after the Appointed Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/ or on behalf of the Transferor Companies as acts, deeds and things done and executed by and on behalf of the Transferee Company.

**11. WINDING UP:**

Upon the Scheme being sanctioned by an order made by the Court under Section 394 of the Act, the Transferor Companies shall stand dissolved without winding up on the Effective Date. Similarly, the Board of Directors (or any committee thereof) of the Transferor Companies shall, without any further act, instrument or deed, be and stand dissolved as on the Effective Date.

**12. CONSIDERATION:**

- 12.1 The provisions of this part shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.
- 12.2 The share Capital of the Transferee Company shall be restructured and reorganised in the manner set out below.
- 12.3 Upon coming into effect of the Scheme, in consideration of the transfer and vesting of undertaking and the liabilities of the Transferor Company to the Transferee Company in terms of this Scheme, the Transferee Company shall without any further application, act or deed, issue and allot.
  - 12.3.1 To the equity shareholders of the First Transferor Company whose names are recorded in the Register of Members of the First Transferor Company, on the Record Date, in the ratio ("the Share Exchange Ratio") of 7 (Seven) Equity shares in the Transferee Company of Rs 2/- each credited as fully paid up for every 16 (Sixteen) equity shares of Rs. 10/- each fully paid up held by such member in the First Transferor Company.
  - 12.3.2 To the equity shareholders of the Second Transferor Company whose names are recorded in the Register of Members of the Second Transferor Company, on the Record Date, in the ratio ("the Share Exchange Ratio") of 2 (Two) Equity shares in the Transferee Company of Rs 2/- each credited as fully paid up for every 3 (Three) equity shares of Rs. 10/- each fully paid up held by such member in the Second Transferor Company.
- 12.4 In case of any member's holding in the Transferor Companies is such that the member becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall round off the said entitlement to the nearest integer.
- 12.5 Equity Shares of the Transferee Company issued in terms of Clause 11.3 above, shall, subject to applicable regulations be listed and/or admitted to trading on the relevant stock exchange/s in India, where the existing equity shares of the Transferee Company are listed and/or admitted to trading.
- 12.6 It is clarified that the Transferee Company, for the purpose of issuing the aforesaid shares to the shareholders of the Transferor Company, shall not be required to pass a separate Special Resolution under Section 81(1A) of the Act or any other provisions of the Act, and on the members of the Transferee Company giving their consent to the scheme, it shall



be deemed that the shareholders of the Transferee Company have given their consent to issue aforesaid shares to the shareholders of the Transferor Company as required under Section 81(1A) of the Act.

- 12.7 For the purpose of issue of equity shares to the shareholders of the Transferor Company, the Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals and approvals of other concerned regulatory authorities for the issue and allotment by the Transferee Company of such equity shares.

### 13. ACCOUNTING TREATMENT:

On the Scheme becoming effective:-

- i) The Transferee Company shall account for the amalgamation of Transferor Companies as per the Accounting Standard 14 – Accounting for Amalgamations (AS14) as stated in the Companies (Accounting Standards) Rules, 2006 and any amendments thereto.
- ii) The Transferee Company shall record all the assets and liabilities of the Transferor Companies transferred to and vested in the Transferee Company pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Companies after considering the effects of sub clause (iv) subject to such corrections and adjustments if any, as may in the opinion of the board of directors of the Transferee Company be necessary or required and to the extent permissible by law.
- iii) The excess or deficit of the value of net assets determined as per sub clause (ii) above over the paid up capital of Birla Precision Technologies Limited shares to be issued and allotted to the members of the transferor companies pursuant to the scheme net of all costs and expenses incurred incidental to this scheme shall be transferred to "Amalgamation Reserve Account".
- iv) The debit balance of Profit and Loss account of the Transferor Companies recorded in the books of the Transferee Company pursuant to amalgamation shall be adjusted first against the "Amalgamation Reserve Account" and the balance, if any, in the Profit and Loss account against the general reserve created post merger of Tools Division of Zenith Birla (India) Limited as per the previous Scheme of Arrangement of the transferee company duly approved by an order of the High Court of Judicature at Bombay dated 8<sup>th</sup> January 2010 .
- v) If the balance the "Amalgamation Reserve Account" after considering the effect of sub clause (iv) above, is credit, shall be credited to the "Securities Premium Account" and if debit, shall be treated as "Goodwill" in the books of the Transferee Company.
- vi) Upon coming into effect of this Scheme, to the extent that there are inter-corporate loans or balances between the Transferor Companies and the Transferee Company, the obligation in respect thereof shall come to an end and all consequent effects shall be given in the reserves and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- vii) Further, in case of any differences in the accounting policy between the Transferee Company and the Transferor Companies, the accounting policies followed by the Transferee Company will prevail and the difference till the Appointed Date, as the case may be, will be quantified and adjusted in the general reserve account to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.
- viii) Notwithstanding the above, the Transferee Company, in consultation with the auditors, is authorised to account any of these balances in any manner whatsoever, if considered more appropriate.
- ix) While consolidating/merging/combining the financial statements of Transferor Companies and Transferee Company and for the compliance of the Accounting Standard of ICAI, (if applicable), any rectifications / corrections / modifications / regrouping, as required, may be done, in the financial statements of both the companies.

### 14. TREATMENT OF TAXES

- 14.1 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax laws, Service Tax, stamp laws as amended from time to time or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 14.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

- 14.3 Any refund under the Tax Laws received by / due to Transferor Companies consequent to the assessments made on Transferor Companies subsequent to the Appointed Date and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 14.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Transferor Companies are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
15. **COMBINATION OF AUTHORISED SHARE CAPITAL**
- 15.1 Upon the Scheme coming into effect, the authorised share capital of the Transferee Company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees, and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 16, Section 31, Section 94 or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies on their respective authorised share capitals shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees/ stamp duty on the authorised share capital so increased.
- 15.2 Upon the Scheme coming into effect, the Clause V of the Memorandum of Association of Birla AccuCast limited shall automatically be substituted thereby reclassifying the 5,925,926 Optionally Convertible Preference Shares of Rs. 13.50 each into 5,925,926 Equity shares of Rs. 10 each and a separate consent of the members of Birla AccuCast Limited shall not be required for the said reclassification of Optionally Convertible Preference Shares into Equity Shares consequent upon the Amalgamation of Birla AccuCast Limited with Birla Precision Technologies Limited.
- 15.3 Consequent upon the Amalgamation of the Transferor Companies into the Transferee Company and upon re-classification of Optionally Convertible Preference Shares of Birla AccuCast Limited into Equity Shares as stated above, the authorised share capital of the Transferee Company will be as under:

Particulars	Amount in Rs.
<b>Authorised Capital</b>	
600,000,000 Equity Shares of Rs. 2/- each	1,200,000,000
<b>Total</b>	<b>1,200,000,000</b>

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

**Clause V of the Memorandum of Association of the Transferee Company:**

The Authorized Share Capital of the Company is Rs. 1,200,000,000 / - (Rupees One Hundred and Twenty Crore only) divided into 600,000,000 (Sixty Crore only) Equity Shares of Rs.2/- (Rupees Two only) each. The Company has power from time to time, to increase or reduce its capital and to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by or in accordance with the Articles of Association of the company and to vary, modify or abrogate any such rights, privileges or conditions or restrictions in such manner as may for the time being permitted by the Articles of the company or the legislative provisions for the time being in force in that behalf.

**PART C – GENERAL**

**16. APPLICATION TO THE JURISDICTIONAL HIGH COURT OR SUCH OTHER APPROPRIATE AUTHORITY**

- 16.1 The Transferor Companies and the Transferee Company shall make applications / petitions under Sections 391 and 394 and other applicable provisions of the Act to the High Court or any other appropriate authority, for sanction of this Scheme and for the dissolution of the Transferor Companies without winding-up under the provisions of law.

**17. MODIFICATION / AMENDMENT TO THE SCHEME:**

- 17.1 The Board of Directors of the Transferor Companies and the Transferee Company, may consent, on behalf of all persons concerned, to any modifications or amendments to the Scheme and without prejudice to generality of the foregoing, any modification to the Scheme involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever or to any conditions or limitations that the Jurisdictional High Courts or any other appropriate authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.



17.2 For the purpose of giving effect to this Scheme or to any modification thereof the board of directors of the Transferee Company may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise.

17.3 For the removal of doubts, it is hereby clarified that withdrawal by any one of the Transferor Company from the Scheme shall not prejudicially effect the implementation of the Scheme between the remaining Transferor Company and the Transferee Company as if the party withdrawing from the Scheme was never a party to the Scheme in that behalf.

18. **SCHEME CONDITIONAL ON APPROVAL / SANCTIONS :**

18.1 The Scheme is conditional upon and subject to the following:

(i) The sanction of the High Court or any other appropriate authority under Section 391 and 394 of the Act in favour of the Transferor Companies and the Transferee Company under the said provisions and to the necessary order or orders or authenticated copy under Section 394 of the Act being obtained and the same being filed with the Registrar of Companies, Mumbai.

(ii) The requisite consents, approvals or permissions of shareholders of the Transferor Companies and the Transferee Company as may be directed by the Jurisdictional High Courts is being obtained;

(iii) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority which by law may be necessary for the implementation of this Scheme.

19. **EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS:**

In the event of any of the said sanctions and approvals referred to in Clause (17) not being obtained and/ or the Scheme not being sanctioned by the Jurisdictional High Courts or such other competent authority, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

20. **COSTS:**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company only



**TRUE-COPY**

*[Signature]*  
**Mrs. K. M. RANE**  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

**CERTIFIED TRUE COPY**  
**HEMANT SETHI & CO.**

*[Signature]*  
ADVOCATE

In The High Court of Judicature at Bombay

Ordinary Original Civil Jurisdiction

Company Scheme Petition No 64 of 2012

Connected with

Company Summons for Direction No 628 of 2011

In the matter of Companies Act, 1956;

AND

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

AND

In the matter of Scheme of Amalgamation of Birla AccuCast Limited and Birla Machining & Toolings Limited with Birla Precision Technologies Limited and their respective Shareholders and Creditors

Birla AccuCast Limited ...Petitioner



AUTHENTICATED COPY OF ORDER DATED 30<sup>TH</sup>  
MARCH 2012 AND THE SCHEME ANEXED TO  
THE PETITION

Prepared on 31/03/2011  
 Signed on 4/12/2012  
 Section Writer \_\_\_\_\_  
 Police \_\_\_\_\_  
 Examined by [Signature]  
 Compared with [Signature]  
 Ready on 07/05/2012  
 Subscribed on 07/05/2012

HS

HEMANT SETHI & CO  
ADVOCATES FOR PETITIONER

**HIGH COURT, BOMBAY**

0081239

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO 521 OF 2009

CONNECTED WITH

COMPANY APPLICATION NO 385 OF 2009

Zenith Birla (India) Limited.....Petitioner

COMPANY PETITION NO 522 OF 2009

CONNECTED WITH

COMPANY APPLICATION NO 386 OF 2009

Tungabhadra Holdings Private Limited....Petitioner

AND

COMPANY PETITION NO 523 OF 2009

CONNECTED WITH

COMPANY APPLICATION NO 387 OF 2009

Birla Precision Technologies Limited....Petitioner

In the matter of Section 391 to 394 of the Companies Act, 1956

And

In the matter of Scheme of Arrangement between Zenith Birla (India) Limited and Birla Precision Technologies Limited and Tungabhadra Holdings Private Limited and their Respective Shareholders

Mr. Hemant Sethi i/b Hemant Sethi & Co. for the Petitioners.

Mr. P. Rama Rao, Official Liquidator in CP No. 522 of 2009

Mr. C. J. Joy with S.C. Pal i/b Mr. S. K. Mohapatra for Regional Director in all the petitions

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# HIGH COURT, BOMBAY

0081240

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CORAM: S.J KATHAWALLA J

DATE: 8<sup>TH</sup> JANUARY 2010

1. Heard learned counsel for the parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to a Scheme of Arrangement between Zenith Birla (India) Limited and Birla Precision Technologies Limited and Tungabhadra Holdings Private Limited and their Respective Shareholders.
3. Counsel appearing on behalf of the Petitioners has stated that the Petitioners have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioners undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the rules made there under. Undertaking is accepted.
4. The Regional Director has filed an affidavit and has stated in paragraph 6(a) that for the financial year 2005-06, 2006-07 & 2007-08, of the Demerged Company, there is a prima facie violation of Section 297 of the Act by the Demerged Company in respect of its transactions with M/s Viking Travels Private Limited, a private limited company in which Shri Yashovardan Birla, one of the Director of the Demerged Company is also a Director in the said private limited company. The Petitioner Company has accepted the above said violation in the statement furnished before the deponent and undertakes to apply to the appropriate authority for compounding of the said violations under section 621A of the Companies Act, 1956. The Registrar of Companies/Regional Director, Western Region has been directed to initiate necessary penal action against the Demerged Company and its Directors in this regard. The learned counsel for the Petitioner states that the Demerged Company has given



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undertaking for filing of necessary application for compounding the said violations under sections 621A of the Companies act, 1956 which is recorded in the affidavit of the Regional Director .

5. It is further stated in para 6(b) of the affidavit that as per the Balance Sheet for the financial year 2005-06, 2006-07 & 2007-08, of the Resulting Company, there is a prima facie violation of section 297 of the Act by the Resulting Company in respect of its transactions with M/s Viking Travels Private Limited, a private limited company in which Shri Yashovardan Birla one of the Director of the Resulting Company is also a Director in the said private limited company. The Petitioner Company has accepted the above said violation in the statement furnished before the deponent and undertakes to apply to the appropriate authority for compounding of the said violations under section 621 A of the Companies Act, 1956. The Registrar of Companies, Mumbai /Regional Director, Western Region, has been directed to initiate necessary penal action against the Resulting Company and its Directors in this regard. The learned counsel for the Petitioner states that the Resulting Company has given undertaking for filing of necessary application for compounding the said violations under sections 621A of the Companies act, 1956 which is recorded in the affidavit of the Regional Director .
6. Save as aforesaid, the Scheme does not appear to be prejudicial to the interest of shareholders and public.
7. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme.
8. Since all the requisite statutory compliances have been fulfilled, the Company Petition Nos. 521 of 2009, 522 of 2009 and 523 of 2009 are made absolute in terms of prayer



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# HIGH COURT, BOMBAY

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clauses (a). So far as the violation of Section 297 of the Companies Act, 1956, by the Demerged and Resulting Company are concerned, the Registrar of Companies, Mumbai/Regional Director, Western Region, are at liberty to take appropriate action pursuant to the Companies Act, 1956 against the Demerged and Resulting Companies.

9. The Petitioner Companies to lodge a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of order.
10. The Petitioners in all the Petitions to pay cost of Rs.7500/- each to the Regional Director, Petitioners in Company Petition Nos. 522 of 2009 to pay cost of Rs. 7500/- to the Official Liquidator. Costs to be paid within 4 weeks from today. Petitioner to comply with statutory compliances, applicable, if any.
11. Filing and issuance of the drawn up order is dispensed with.
12. All authorities concerned to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay

(S.J. KATHAWALLA J)



TRUE-COPY

*M. D. Narvekar*  
19/01/10  
M. D. NARVEKAR  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

TRUE COPY

*Amal M. Ito*  
Section Officer  
High Court, Appellate Side  
Bombay

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SCHEME OF ARRANGEMENT  
BETWEEN  
ZENITH BIRLA (INDIA) LIMITED  
(Demerged Company)  
AND  
BIRLA PRECISION TECHNOLOGIES LIMITED  
(Resulting Company)  
AND  
SCHEME OF AMALGAMATION  
BETWEEN  
TUNGABHADRA HOLDINGS PRIVATE LIMITED  
(Amalgamating Company)  
AND  
ZENITH BIRLA (INDIA) LIMITED  
(Amalgamated Company)  
AND  
THEIR RESPECTIVE MEMBERS

(Under Section 391 to 394 of the Companies Act, 1956)

1. The Scheme is divided into following parts:
  - 1.1 Part 1 deals with the introductions and definitions;
  - 1.2 Part 2 deals with the Demerger of the Tool Division of ZBIL;
  - 1.3 Part 3 deals with the amalgamation of THPL with ZBIL; and
  - 1.4 Part 4 deals with the general terms and conditions that will be applicable to Part 2, Part 3 of the Scheme.

**PART I**

**INTRODUCTION AND DEFINITIONS**

- 1.1 Zenith Birla (India) Limited, ("ZBIL") is a company incorporated under the Companies Act, 1956 and is engaged in the manufacturing of ERW welded steel pipes. Zenith specializes in a wide range of black and galvanized pipes and in the business of manufacturing high quality HSS Tools. The equity shares of ZBIL are listed at the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India (NSE).
- 1.2 Birla Precision Technologies Limited, ("BPTL") is a company incorporated under the Companies Act, 1956 and is engaged in the business of manufacturing of a wide range of precision AT3 Class tool holders, HSK tooling, Expanding Mandrels and Sleeves besides advanced products like hydro grip and shrink fit CNC toolings. The equity shares of BPTL are listed at the Bombay Stock Exchange Limited (BSE).
- 1.3 Tungabhadra Holdings Private Limited, ("THPL") is a company incorporated under the Companies Act, 1956 and carries on business of manufacturing of Black galvanised pipes.
2. This Composite Scheme of Arrangement and Amalgamation ("Scheme") provides for:
  - 2.1 Demerger of Tooling Business (as defined hereunder) of ZBIL and consequent allotment of shares of BPTL to the shareholders of ZBIL;

- 2.2 The Amalgamation of THPL with ZBIL and consequent allotment of shares by ZBIL to the shareholders of THPL.
3. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.
4. **DEFINITIONS**
  - 4.1 In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:
    - 4.1.1 "Act" means the Companies Act, 1956, including any statutory modifications, re-enactments or amendments thereof;
    - 4.1.2 "Appointed Date" For the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means April 1, 2008 or such other date as may be approved by the High Court of Judicature at Bombay;
    - 4.1.3 "Effective Date" means the last of the dates on which the sanctions, approvals or orders specified in Clause 31 of this Scheme are obtained and the later of the date on which the authenticated/certified copy of the Order of the High Court of Judicature at Bombay is filed with the Registrar of Company, Maharashtra;
    - 4.1.4 "ZBIL" or "Demerged Company", or "Amalgamated Company" for the purpose of Part-2, means Zenith Birla (India) Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Dalamal House, 1<sup>st</sup> floor, 206, Jammalal Bajaj Marg, Nariman Point, Mumbai 400021;
    - 4.1.5 "BPTL" or the "Resulting Company" means Birla Precision Technologies Limited, a company incorporated under the Companies Act, 1956 and having its registered office at B-15/4, M.I.D.C Industrial Area, Waluj, Aurangabad -431133;
    - 4.1.6 ("THPL") or the "Amalgamating Company" means Tungabhadra Holdings Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Dalamal House, 1<sup>st</sup> floor, 206, Jammalal Bajaj Marg, Nariman Point, Mumbai 400021;
    - 4.1.7 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Arrangement and Amalgamation in its present form submitted to the High Court of Judicature at Bombay for sanction with any modification(s) approved or imposed or directed by the said High Court;
    - 4.1.8 "Record Date" means the date to be fixed by the Board of Directors of ZBIL, BPTL and THPL for the purpose of issue of shares as per this Scheme;
  - 4.2 "Tooling Business" shall mean and include:
    - 4.2.1 All assets and liabilities of the Demerged Company pertaining to its Tooling Business, however, excluding the Remaining Business of ZBIL which does not form part of the *Tooling Business*;



4.2.2 Without prejudice to the generality of the provisions of sub-Clause 4.2.1 above, the Tooling Business of the Demerged Company shall include all debts, liabilities, contingent liabilities, duties, obligations and provisions and all other assets and properties, present or contingent and including but without being limited to vehicles, fixed assets, current assets, investments, reserves, provisions, funds, in respect of the Tooling Business, leases, licenses, hire purchase and lease arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations, benefits of agreements, contracts and arrangements and all other interests in connection with or relating to the Tooling Business of ZBIL and in particular the certifications, registrations with government authorities, public sector undertakings, other industrial units, permits, allotments and other statutory registrations, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, advances, receivables, funds, cash, bank balances, accounts and all other rights, claims and powers of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Demerged Company in connection with or pertaining or relating to the *Tooling Business* and all earnest money and/or deposits including security deposits paid by Demerged Company in connection with or relating to the Tooling Business.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the *Tooling Business* include:

- (a) The liabilities which arise out of the activities or operations of the *Tooling Business*;
- (b) Specific loans and borrowings raised, incurred and utilised solely for the activities or operation of the *Tooling Business*;

4.2.3 All permanent employees of ZBIL employed in the *Tooling Business*, as identified by the Board of Directors of ZBIL, as on the Effective Date;

4.2.4 The *Tooling Business* would include all assets and liabilities other than those pertaining to the Remaining Business (as defined in Clause 4.4); and

4.2.5 Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Tooling Business or whether it arises out of the activities or operations of the Tooling Business shall be decided by mutual agreement between the Board of Directors of ZBIL and BPTL.

4.3 "High Court" means the High Court of Judicature at Bombay or such other High Court having jurisdiction in the matter and shall include the National Company Law Tribunal, if applicable.

4.4 'Remaining Business' means all the business and divisions of ZBIL other than the *Tooling Business*.

4.5 'Scheme' or 'the Scheme' or 'this Scheme' means this Scheme of Arrangement in its present form or with any modification(s) made under Clause 30 of this scheme as approved or directed by the High Court.

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

4.7 Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.

5. Undertakings of "THPL" shall mean and include:-

5.1 All the assets and properties (whether movable or immovable, tangible or intangible) of THPL as on the appointed date (hereinafter referred to 'the said Assets').

5.2 All debts, liabilities, duties and obligations of THPL, as on the Appointed Date hereinafter referred to 'the said Liabilities')

5.3 Without prejudice to the generality of Sub-clause 5.1 and 5.2 above the undertaking of THPL shall include all THPL's reserves, if any provisions, funds, assets including investments, claims, powers, authorities, allotments, approvals, consents, registrations, contracts, enactments, arrangements, agreements, rights, titles, interest, benefits, advantages, lease-hold rights and, systems of any kind whatsoever, trade marks, patents and other industrial and intellectual properties, including any applications filed by THPL for securing of any intellectual property rights, any additions thereto or alterations thereof, whether in India or abroad, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different taxation Laws as may belong to or be available to THPL, rights and power, of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of, whatsoever nature and wherever situated, belonging to or in ownership, power or possession or control or entitlement of the THPL.

#### 6. SHARE CAPITAL:

6.1 The share capital of ZBIL as per the last audited financials i.e. on March 31, 2008 was as under:

Authorised Capital	Amount in Rs.
5,00,00,000 Equity Shares of Rs. 10 each	50,00,00,000
<b>Total</b>	<b>50,00,00,000</b>
<b>Issued, Subscribed and Paid up Capital</b>	
4,00,72,544 Equity Shares of Rs. 10 each, fully paid up	40,07,25,440
<b>Total</b>	<b>40,07,25,440</b>

Subsequent to the balance sheet date there is no change in the issued, subscribed and paid up share capital of ZBIL.



- 6.2 The share capital of BPTL as per the last audited financials i.e. on March 31, 2008 was as under:

Authorised Capital	Amount in Rs.
25,00,00,000 Equity Shares of Rs. 2 each	50,00,00,000
<b>Total</b>	<b>50,00,00,000</b>
<b>Issued, Subscribed and Paid up Capital</b>	
1,60,00,000 Equity Shares of Rs. 2 each, fully paid up	3,20,00,000
<b>Total</b>	<b>3,20,00,000</b>

Subsequent to the balance sheet date there is no change in the issued, subscribed and paid up share capital of BPTL.

- 6.3 The share capital of THPL as per the last audited financials i.e. on March 31, 2003 was as under:

Authorised Capital	Amount in Rs.
55,00,000 Equity Shares of Rs. 10 each	5,50,00,000
<b>Total</b>	<b>5,50,00,000</b>
<b>Issued, Subscribed and Paid up Capital</b>	
50,36,430 Equity Shares of Rs. 10 each, fully paid up	5,03,64,300
<b>Total</b>	<b>5,03,64,300</b>

Subsequent to the balance sheet date there is no change in the issued, subscribed and paid up share capital of THPL.

#### PART-II

#### DEMERGER OF THE TOOLING BUSINESS OF DEMERGED COMPANY

##### 8 TRANSFER OF UNDERTAKING:

- 8.1 With effect from the *Appointed Date* all the estate, assets, rights, title and interest including accretions and appurtenances of the *Tooling Business* and that as specified under clause 4.2 above shall, subject to the provisions of this clause in relation to the mode of vesting and pursuant to section 394(2) and other applicable provisions of the Act, be transferred to and vest in or be deemed to be transferred to and vested in the Resulting Company, without any further act, deed, matter or thing, as a going concern, so as to become, from the appointed date, the estates, assets, right, title and interest of the Resulting Company.
- 8.2 In respect of such of the assets of the *Tooling Business*, as are movable in nature or are otherwise capable of transfer by mere delivery, payment or by endorsement and delivery, the same shall be so transferred by the Demerged Company and shall become the property of the Resulting Company as an integral part of the *Tooling Business*.
- 8.3 All assets, rights, title and interest including accretions and appurtenances acquired by the Demerged Company after the Appointed Date and prior to the Effective date for the operations of the *Tooling Business* shall also stand transferred to and be vested

in the Resulting Company upon the coming into effect of the scheme.

- 8.4 Upon coming into effect of the Scheme, the liabilities and obligations of the Demerged Company as on the appointed date shall be deemed to have been transferred to the Resulting Company and to the extent they are outstanding on the effective date shall without any further act or deed be and stand transferred to the Resulting Company which shall undertake to meet, discharge and satisfy the same and shall mean to include the following:

- iii. The liabilities including liability relating to the transferred employees for payment of gratuity, pension benefits, provident fund and compensation in the event of retrenchment, past or future, contingent or otherwise, which arose out of the activities or operations of the Tooling Business of the Demerged Company; and
- iv. Where any of the liabilities and the obligations of the Tooling business of the Demerged Company as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by the Demerged Company after the appointed date and prior to the effective date, such discharge shall be deemed to have been for and on account of the Resulting Company and all loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Tooling business after the appointed date and prior to the effective date shall also without any act or deed be and stand transferred to the Resulting Company and shall become the liabilities of the Resulting Company, which shall undertake to meet, discharge and satisfy the same.

- 8.5 Any Statutory licenses, authorizations, permissions, approvals or other registrations held by the Demerged Company for the Tooling business shall be deemed to constitute separated statutory licenses, authorizations, permissions, approvals, or other registrations and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, upon filing of this Scheme as sanctioned with such authorities and licensors, etc. as applicable after the same becomes effective, so as to empower and facilitate the continuation of operations of the *Tooling Business* and the Demerged Company separately & independently of each other.

- 8.6 This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961.

##### 9. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Upon coming into effect of the scheme and subject to the other provisions of this Scheme, all lawful agreements, arrangements, bonds, contracts, deeds, and other instruments of whatsoever nature specifically pertaining to *Tooling Business* to which the Demerged Company is a party shall remain in full force and effect against or in favour of the Resulting Company as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, Resulting Company had been a party or beneficiary thereto.

**10. TRANSFER OF EMPLOYEES**

All the executives, staff, workmen and other employees in the service of the Demerged Company exclusive in connection with the *Tooling Business* immediately before the Effective Date, shall after the transfer of the Demerged Undertaking to the Resulting Company become the executives, staff workmen or other employees of the Resulting Company, ("Transferred Employees") on the basis that their services shall have been continuous and shall not have been interrupted by reason of transfer as if such transfer is effected under Section 25FF of the Industrial Disputes Act, 1947.

The terms and conditions of service applicable to the Transferred Employees, after such transfer to the Resulting Company shall not in any way be less favourable to them than those applicable to them immediately before the transfer.

**11. ENFORCEMENT OF LEGAL PROCEEDINGS**

11.1 Upon coming into effect of the scheme if any suit, writ petition, appeal, revision or other proceeding of whatever nature (hereinafter also called "the proceedings") by or against the Demerged Company, in respect of *Tooling Business* pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Demerged Company or of anything contained in this Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Demerged Company as if this Scheme had not been made. On and from the Effective Date, the Resulting Company shall and may initiate any legal proceedings for and on behalf of the Demerged Company.

11.2 If suits, appeals, actions or proceedings of any nature whatsoever are taken against the Demerged Company, in respect of *Tooling Business*, in respect of matters referred to above, it shall defend the same at the cost of the Resulting Company and the Resulting Company shall indemnify and hold harmless the Demerged Company against all such suits, appeals, actions, proceedings and/or claims, demands, fines, penalties, losses, damages, costs, charges, or expenses (including attorney's fees) whatsoever brought or made against, imposed on, incurred or suffered by the Demerged Company in connection with or in respect thereof.

11.3 The Resulting Company undertakes to have all suits, appeals, actions and other proceedings initiated by or against the Demerged Company, in respect of *Tooling Business*, in respect of matters above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company.

**12. CONDUCT OF BUSINESS**

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

12.1 Shall carry on and be deemed to have been carrying on all business and activities of the *Tooling Business*

and stand possessed of all estates, assets, rights title and interest of the Demerged Undertaking for and on account of and in trust for the Resulting Company.

12.2 All profits accruing to the Demerged Company or losses arising or incurred by it (including taxes if any) relating to Demerged Undertaking shall for all purposes be treated as the profits, or losses as the case may be, of the Resulting Company.

12.3 The Demerged Company hereby undertakes that it will, from the Appointed Date up to and including the Effective Date, preserve and carry on the business and activities of the *Tooling Business* with reasonable diligence and prudence and agrees that it will not, without the prior written consent of the Resulting Company alienate, charge or otherwise deal with or dispose of the *Tooling Business* or any part thereof or recruit new employees (in each case except in the ordinary course of business) or conclude settlements with union or employees or undertake any new business or a substantial expansion of the existing business of the *Tooling Business* other than expansion which has been commenced or approved for implementation prior to the Appointed Date and pay all statutory dues (including advance tax) relating to the *Tooling Business* for and on account of the Resulting Company.

12.4 The transfer and vesting of the assets, liabilities and obligations of the *Tooling Business* under Clause 8 hereof and the continuance of suits, appeals, actions and proceedings by or against the Resulting Company under Clause 11 hereof shall not affect any transactions or suit, appeal, action or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that, subject to clause 8, the Resulting Company accepts all acts, deeds, matters, and things done and executed by and/or on behalf of the Demerged Company as acts, deeds, matters and things done and executed by or on behalf of the Resulting Company.

12.5 The Demerged Company shall not make any changes in the capital structure either by any increase, decrease, reduction, reclassification, sub-division or consolidation reorganization, or in any other manner except by the consent of the Resulting company.

**13. REMAINING BUSINESS**

13.1 The remaining business and all assets, liabilities and obligations other than as specified in 8 hereof shall continue to belong to and vest in and be managed by the Demerged Company.

13.2 All suits, appeals, actions or other proceedings by or against the Demerged Company under any statute, whether pending on the appointed date or not in respect of any matter arising before, on or after the Effective Date and relating or pertaining to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued, prosecuted and enforced by or against the Demerged Company.

13.3 With effect from the Appointed Date and upto and including the Effective Date, the Demerged Company:



- i. Shall carry on and be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business for and on its own behalf;
- ii. All profits accruing to the Demerged Company thereon and losses arising or incurred by it (including the effect of taxes, inclusive of advance taxes paid, if any, thereon) relating the Remaining Business shall, for all purposes, be treated as the profits, or losses, as the case may be, of the Demerged Company.
- 13.4 All contracts, deeds, bonds, and any other instruments entered into in relation to the remaining business shall be treated as contracts, deeds, bonds and any other instruments entered for and on behalf of the Demerged Company.
14. **CONSIDERATION**
- 14.1 The arrangement of the Demerged Company with the Resulting Company will be made on the basis that the Resulting Company shall upon coming into effect of the Scheme, and in consideration for the transfer of and vesting of the assets and liabilities of the *Tooling Business* of the Demerged Company in the Resulting Company, issue and allot in its capital at par, credited as paid up to the extent indicated below, to the members of the Demerged Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title whose names appear in the Register of Members of the Demerged Company on the Record Date in the following proportion viz.: -
- 14.1.1 2 (Two) Equity share of the face value of Rs. 2 each credited as fully paid up of BPTL for every 5 (five) Equity shares of the face value of Rs. 10 each credited as fully paid up held in ZBIL.
- 14.1.2 In case any member's holding in the Demerged Company is such that the member becomes entitled to a fraction of an equity share of the Resulting Company, the Resulting Company shall round off the said entitlement to the nearest integer.
- 14.1.3 The new equity shares in the Resulting Company to be issued to the equity shareholders of the Demerged Company pursuant to Clause 14.1.1 above shall be subject to the Memorandum and Articles of Association of Resulting Company and shall rank pari passu with the existing equity shares of Resulting Company.
- 14.1.4 BPTL will make an application for approval, if applicable or filings to Foreign Investment Promotion Board / Reserve Bank of India / authorized dealer or appropriate authority, for its approval under the provisions of the Foreign Exchange Management Act 1999 for the issue and allotment of equity shares in BPTL to the non-resident shareholder of the ZBIL in accordance with the provisions of the Scheme.
15. **ACCOUNTING TREATMENT**
- 15.1 In the books of BPTL:
- 15.1.1 BPTL shall, upon the arrangement becoming operative, record the assets and liabilities of the *Tooling Business* of ZBIL vested in it pursuant to this Scheme, at the respective book values thereof as appearing in the books of ZBIL at the close of business on the day immediately preceding the Appointed Date.
- 15.1.2 BPTL shall credit in its books of account, face value of the shares issued to the shareholders of ZBIL pursuant to the Scheme, to the Share Capital Account;
- 15.1.3 The surplus, if any, pursuant to the above accounting shall be credited to the General Reserve of Resulting Company in case of a deficit, the same shall be debited to the Goodwill of Resulting Company; and
- 15.1.4 The Resulting Company (by its Board of Directors) may alter or modify the provisions of this Clause 15.1, in consultation with their auditors, as they may deem fit and consider necessary, to settle any question / difficulty arising out of the Scheme, to comply with the relevant laws and applicable Accounting Standards.
- 15.2 In the books of ZBIL:
- 15.2.2 On the Scheme becoming effective, the net assets of the *Tooling Business* transferred to BPTL standing in the books of ZBIL shall be adjusted against the following in the order specified, to the extent required:-
- (a) First against General Reserve Account;
- (b) then against Profit and Loss Account; and
- (c) the balance left, if any, will be debited to the Goodwill Account
- 15.2.3 The Demerged Company (by its Board of Directors) may alter or modify the provisions of this Clause 15.2, in consultation with their auditors, as they may deem fit and consider necessary, to settle any question / difficulty arising out of the Scheme, to comply with the relevant laws and applicable Accounting Standards.
16. **BUSINESS AND PROPERTY IN TRUST FOR BPTL**
- During the period between the Appointed Date and the Effective Date:
- 16.1 ZBIL shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets of the *Tooling Business* for and on account of and in trust for BPTL;
- 16.2 All the profits or income accruing or arising to ZBIL, including dividends, or expenditure or losses arising or incurred by ZBIL on account of the *Tooling Business*, shall for all purposes be treated and deemed to accrue as the profits or income or expenditure or losses (as the case may be) of BPTL; and
- 16.3 ZBIL shall not utilize the profits or income, if any, relating to the *Tooling Business* for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of BPTL.
- 16.4 As and from the date of acceptance of this Scheme by the Board of Directors of ZBIL and the Board of Directors of BPTL and till the Effective Date, ZBIL shall not alienate, charge, mortgage, encumber or otherwise deal with the assets of *Tooling Business* or any part thereof without the prior written concurrence of the Board of Directors of BPTL.



PART-III

AMALGAMATION OF TUNGABHADRA HOLDINGS PRIVATE LIMITED WITH ZENITH BIRLA (INDIA) LIMITED

17. TRANSFER OF UNDERTAKING

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date (subject to, but immediately after sanction of the demerger as set out in Part II above and first giving effect to the demerger), and subject to the provisions of this Scheme, the Undertaking of the Amalgamating Company shall, pursuant to Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, title and interests and authorities of the Amalgamated Company.
- (b) Without prejudice to sub-clause (a) above, in respect of such of the assets of the Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by paying over or endorsement and/or delivery, the same may be so transferred by the Amalgamating Company, and shall, upon such transfer, become the property, estate, assets, rights, title, interests and authorities of the Amalgamated Company as an integral part of the Undertaking.
- (c) In respect of such of the assets of the Undertaking other than those referred to in sub-clause (b) above, the same shall, as more particularly provided in sub-clause (a) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company on the Appointed Date pursuant to the provisions of Section 394 of the Act. It is hereby clarified that all the investments made by the Amalgamating Company and all the rights, title and interests of the Amalgamating Company in any leasehold properties in relation to the Undertaking shall, pursuant to Section 394 (2) of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company.
- (d) All debts, outstandings and receivables of the Amalgamating Company shall on and from the Appointed Date stand transferred to and vested in the Amalgamated Company without any notice or other intimation to the debtors (although the Amalgamated Company may, if it so deems appropriate, give notice to the debtors that the debts do stand transferred to and vested in the Amalgamated Company), and the debtors shall be obliged to make payments to the Amalgamated Company on and after the Effective Date.
- (e) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company after the Appointed Date and prior to the Effective Date shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon the coming into effect of this Scheme, pursuant to the provisions

of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, rights, title, interests and authorities of the Amalgamated Company.

- (f) This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.
18. Upon the coming into effect of this Scheme and with effect from the Appointed Date:
- (a) All secured and unsecured debts (whether in INR or foreign currency), all liabilities, duties, obligations and undertakings of the Amalgamating Company of any nature whatsoever along with any charge, encumbrance, lien or security thereon (hereinafter referred to as the "Liabilities") shall, pursuant to the provisions of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been transferred to and vested in, the Amalgamated Company, so as to become the Liabilities of the Amalgamated Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or any arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this clause.
- (b) (i) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangements which may give rise to a contingent liability in whatever form), if any, due or which may at any time in the future become due between the respective Amalgamating Company and the Amalgamated Company shall stand discharged and there shall be no liability in that behalf on either party.
- (ii) All debentures, bonds, notes or other debt securities of the Amalgamating Company, whether convertible into equity or otherwise, (the "Securities"), shall, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed become securities of the Amalgamated Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or deemed to have been transferred to and vested in and shall be exercised by or against the Amalgamated Company as if it were the respective Amalgamating Company in respect of the Securities so transferred.
- (c) It is clarified that, unless otherwise determined by the Board of Directors of the Amalgamated Company, in so far as the assets comprising the Undertaking are concerned:



- (i) the security or charge relating to loans, debentures or borrowings of the Amalgamating Companies shall without any further act or deed continue to relate to the said assets after the Effective Date and shall not relate to or be available as security in relation to the borrowings of the Amalgamated Company; and
  - (ii) the assets of the Amalgamated Company shall not relate to or be available as security in relation to the said borrowings of the Amalgamating Company.
- (d)
- (i) Where any of the liabilities and obligations of the Amalgamating Company as on the Appointed Date transferred to the Amalgamated Company have been discharged by the Amalgamating Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Amalgamated Company.
  - (ii) All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Amalgamating Company in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date subject to the provisions of this Scheme shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Amalgamated Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Amalgamated Company and shall become the debt, duties, undertakings, liabilities and obligations of the Amalgamated Company which shall meet, discharge and satisfy the same.

19. **BUSINESS AND PROPERTY OF THE TRANSFEROR COMPANY TO BE HELD IN TRUST FOR THE TRANSFEREE COMPANY**

For the period beginning on and from the Appointed Date and ending on the Effective Date: -

- (a) The Amalgamating Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and possessed of and shall continue to hold and stand possessed of all the Assets, properties and Liabilities for and on account of and in trust for the Amalgamated Company. The Amalgamating Company hereby undertakes to hold the Assets, properties and Liabilities with utmost prudence until the Effective Date.
- (b) All the profits or income accruing or arising to the Amalgamating Company and all costs, charges, expenditure, taxes or losses arising or incurred by the Amalgamating Company shall, for all purposes, be treated and be deemed to be and accrue as the profits, income, costs, charges, expenditure, taxes or losses as the case may be of the Amalgamated Company.
- (c) The Amalgamating Company shall carry on its business and activities until the Effective Date with reasonable diligence, and business prudence and

shall not, without the prior consent of the Amalgamated Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the assets or any part thereof, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Amalgamating Company.

Provided however, the Amalgamating Company shall in the ordinary course of business be entitled to borrow in the form of loans if deemed necessary by it and further consent for this purpose will not be required of the Amalgamated Company in that behalf.

- (d) The Amalgamating Company shall not vary the terms and conditions of the employment of its employees, except in the ordinary course of business.
- (e) The Amalgamating Company shall not, without the prior written consent of the Board of Directors of the Amalgamated Company, undertake any new business or a substantial expansion of their existing business.
- (f) Neither the Amalgamating Company nor the Amalgamated Company shall make any change in their capital structure (paid-up capital), other than changes pursuant to any prior commitments, obligations or arrangements or acts and deeds already made except by mutual consent of the Board of Directors of the Amalgamated Company and the Amalgamating Company.

20. **LEGAL PROCEEDINGS**

- (a) All suits, actions, appeal, writ petitions, revisions or other proceedings of whatever nature (hereinafter called "the Proceedings") by or against the Amalgamating Company pending and/or arising on or before the Effective Date shall not abate, not be discontinued or not be in any way prejudicially affected by reason of the transfer of the business of the Amalgamating Company pursuant to this Scheme but the Proceedings be continued, prosecuted and enforced by or against the Amalgamated Company as effectually and in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Amalgamating Company as if the Scheme had not been made. On and from the Effective Date, the Amalgamated Company shall and may initiate any Proceedings which were earlier in the name of the Amalgamating Company.
- (b) On and from the Appointed Date but on or before the Effective Date, if any Proceedings are taken against the Amalgamating Company, the same shall be defended by the Amalgamating Company for and on behalf of the Amalgamated Company.

21. **CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

The Transfer and vesting of the properties and liabilities under Clause 17 above and the continuance of the proceedings mentioned in Clause 20 above shall not in any manner affect the transaction or proceedings already concluded by or against the Amalgamating Company:-

- (i) On or before the Appointed Date; and that the Amalgamated Company accepts on behalf of itself all acts, deeds, bonds, agreements and other instruments of whatever nature done and executed by the Amalgamating Company.



- (ii) After the Appointed Date but before the Effective Date; and that the Amalgamated Company accepts on behalf of itself all acts, deeds, bonds, agreements and other instruments of whatever nature done and executed by the Amalgamated Company.

Upon the coming into effect of this Scheme and subject to the provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Amalgamating Company are a party or to the benefit of which the Amalgamating Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of the Amalgamating Company as the case may be and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary thereto. The Amalgamated Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any multipartite agreements, arrangements, confirmations or novations to which the Amalgamating Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.

## 22. TREATMENT OF TAXES

- (a) Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax laws, Service Tax, stamp laws or other applicable laws/ regulations [hereinafter in this Clause referred to as "Tax Laws"] dealing with taxes/ duties/ levies allocable or related to the business of the Amalgamating Company to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Amalgamated Company.
- (b) All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Amalgamating Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Amalgamated Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Amalgamating Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Amalgamated Company, and, shall, in all proceedings, be dealt with accordingly.
- (c) Any refund under the Tax Laws due to Amalgamating Company consequent to the assessments made on Amalgamating Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Amalgamated Company.

- (d) Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Amalgamating Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Amalgamated Company.

## 23. ISSUE OF SHARES

- 23.1 Upon coming into effect of this Scheme and in consideration of the transfer and vesting of the Undertaking of the Amalgamating Company in the Amalgamated Company, the Amalgamated Company shall without any further application or deed, be required to issue and allot to the equity shareholders of the Amalgamating Company whose names appear in the register of members of the Amalgamating Company as on the Record Date, 19 (nineteen) equity share of the face value of Rs.10/- each in the Amalgamated Company, credited as fully paid-up, (hereinafter referred to as the "New Equity Shares") for every 7 (seven) equity shares of the face value of Rs. 10/- each held in the Amalgamating Company.
- (h) The total number of New Equity Shares of Amalgamated Company to be issued and allotted to members of Amalgamating Company, shall be credited as fully paid up and shall be issued on the following terms:
- (i) The New Equity Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Amalgamated Company and other provisions of this scheme.
- (j) In respect of the fractional entitlement for the New Equity Shares, if any, to which the equity shareholders of Amalgamating Company may be entitled, the same shall be rounded off to the next number.
- (k) No allotment shall be made in respect of the Equity Shares of the Amalgamating Company held by the Amalgamated Company and the same shall be cancelled. Similarly any other cross holdings as on Effective date shall also be cancelled.
- (l) Subject to the provisions of this Scheme, the New Equity Shares to be issued and allotted to the shareholders of the Amalgamating Company pursuant to this Scheme shall in all respects, rank pari passu with the existing equity shares of the Amalgamated Company in respect of dividend, bonus, right shares, voting rights and other corporate benefits.
- (m) Upon the New Equity Shares being issued and allotted, as aforesaid, the Share Certificates in respect of the equity shares held in the Amalgamating Company shall be deemed to have been automatically cancelled and of no effect and the Amalgamated Company instead of requiring surrender of such Certificates may directly issue and dispatch fresh Certificates in respect of the New Equity Shares issued and allotted by the Amalgamated Company.
- (n) The Amalgamated Company will make an application for approval, if applicable or filings to Foreign Investment Promotion Board / Reserve Bank of India / authorized dealer or appropriate authority, for its approval under the provisions of the Foreign Exchange Management Act 1999 for the issue and allotment

of equity shares in the Amalgamated Company to the non-resident shareholder of the Amalgamating Company in accordance with the provisions of the Scheme.

**24. STAFF, WORKMEN AND EMPLOYEES OF THE TRANSFEROR COMPANY**

(a) All staff, workmen and employees of the Amalgamating Company in permanent service on the Effective Date shall become the staff, workmen and employees of the Amalgamated Company on such date without any break or interruption in service and on the terms and conditions not in any way less favourable to them than those subsisting with reference to the Amalgamating Company as the case may be on the said date.

(b) It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Schemes created or existing for the benefit of the staff, workmen and employees of the Amalgamating Company are concerned, upon the Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever related to the administration or operation of such schemes or Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such schemes and Funds as per the terms provided in the respective Trust Deeds/ other documents. It is the end and intent that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such Funds/ Schemes shall become those of the Amalgamated Company. It is clarified that the services of the staff, workmen and employees of the Amalgamating Company will be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

(c) The Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business;

**25. ACCOUNTING**

Upon the Scheme becoming effective, the Amalgamating Company shall account for the amalgamation as under:

25.1 With effect from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Amalgamated Company be required all the assets and liabilities of the Amalgamating Company shall be recorded in the books of the Amalgamated Company at their respective book values as recorded in the books of the Amalgamating Company.

25.2 The credit balance in share premium of the Amalgamating Company as on the Appointed Date shall be transferred to share premium account in the Amalgamated Company. The accumulated balance in the profit & loss account of the Amalgamating Company as on the Appointed Date shall be transferred to the profit & loss account of the Amalgamated Company. In other words, identity of reserves of the Amalgamating Company shall be preserved.

25.3 To the extent there are inter-corporate investments between the Amalgamating Company and the

Amalgamated Company, the same shall be cancelled and accordingly effect shall be given in the books of account and records of the Amalgamated Company for cancellation of such investments.

25.4 In case of any difference in the accounting policy between the Amalgamating Company and the Amalgamated Company, the impact of the same till the Appointed Date will be quantified and adjusted in the reserves to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy. Accounting policies of the Amalgamated Company will prevail.

25.5 To the extent that there are inter-corporate loans or balances between Amalgamating Company and the Amalgamated Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Amalgamated Company for the reduction of any assets or liabilities, as the case may be.

25.6 For the removal of doubts, it is hereby clarified that there would be no accrual of interest or other charges in respect of any inter-company loans or balances between Amalgamating Company and the Amalgamated Company during the period between the Appointed Date and Effective Date. It is also clarified that there would be no accrual of income or expense on account of any other transactions, including inter alia any transactions in the nature of services between Amalgamating Company and the Amalgamated Company during the period between the Appointed Date and the Effective Date.

25.7 The difference, if any, between the amount recorded in terms of clause 25.1 to 25.6 above and share capital issued pursuant to Clause 23 of the Scheme shall be adjusted in the General Reserves of the Amalgamated Company. The Surplus on Amalgamation shall be considered as a free reserve and shall be available for distribution of dividend.

25.8 It is hereby clarified that pursuant to the provisions of Clause 17, all transactions during the period between the Appointed Date and Effective Date relating to Amalgamating Company would be duly reflected in the financial statements of Amalgamated Company, upon the coming into effect of this Scheme.

25.9 Notwithstanding the above, the Board of Directors of the Amalgamated Company is authorised to account any of the account balances in any manner whatsoever as may be deemed fit, in accordance with the Companies (Accounting Standards) Rules, 2006 and any amendments thereto in consultation with the auditors of the Amalgamated Company.

**26. AUTHORISED SHARE CAPITAL OF THE MEMORANDUM OF ASSOCIATION**

a. Upon coming into effect of the Scheme, the Authorized Capital of the Amalgamating Company shall be deemed to be added to the Authorized Capital of the Amalgamated Company without any further act, deed or procedure, formalities or payment of any stamp duty and registration fees.

b. Upon coming into effect of the Scheme, Clause V of the Memorandum of Association of the Amalgamated



Company shall, without any further act, deed or instrument, be substituted by the following clause:

"The Authorized Share Capital of the Company is Rs.55,50,00,000 (Rupees fifty five Crores fifty lacs only) divided into 5,55,00,000 (five crore fifty five lacs only) Equity Shares of Rs. 10/- (Rupees Ten only) each with such rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to classify and re-classify such shares from one class in to shares of other class or classes and attach thereto respectively such preferential, deferred, qualified, or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company or legislative provisions for the time being in force on that behalf and to vary, modify, restrict or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."

- c. It is clarified that the approval of the members of Amalgamated Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum of Association of Amalgamated Company as required under Section 17 and other applicable provisions of the Act.

**27. BOARD OF DIRECTORS OF THE AMALGAMATING COMPANY**

The Board of Directors (or any committee/ sub-committee thereof) of the Amalgamating Company, upon the Scheme becoming effective, shall without any further act, instrument and deed stand dissolved. All the Directors of the Amalgamating Company shall cease to be Directors of the Amalgamating Company on coming into effect of this Scheme. However, if any such Director is a Director of the Amalgamated Company he would continue to hold his office in the Amalgamated Company.

**28. DISSOLUTION OF AMALGAMATING COMPANY**

On the Scheme coming into effect, the Amalgamating Company shall, without any further act or deed, stand dissolved without winding up.

**PART - IV**

**GENERAL TERMS AND CONDITIONS**

**29. APPLICATION TO HIGH COURT**

ZBIL, BPTL and THPL shall with all reasonable dispatch make applications under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for seeking approval of the Scheme.

**30. MODIFICATION OR AMENDMENTS TO THE SCHEME**

ZBIL, BPTL and THPL by their respective Board of Directors or any Committee constituted by their respective Boards may assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the High Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. ZBIL, BPTL and THPL shall authorise their respective Boards of Directors or any Committee constituted by them to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authority or otherwise howsoever arising out of or by virtue of the Scheme or implementation thereof and/or any matter concerned or connected therewith.

**31. CONDITIONALITY OF THE SCHEME**

- b. This Composite Scheme is and shall be conditional upon and subject to:

- i. The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- ii. The approval by the requisite majorities of the classes of persons of ZBIL, BPTL and THPL as directed by the High Court under Section 391 of the Act.
- iii. All other sanctions and orders as are legally necessary or required in respect of the Scheme being obtained.
- iv. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the respective Boards of Directors or any Committee constituted by them ZBIL, BPTL and THPL.

**32. EFFECT OF NON-RECEIPT OF APPROVALS**

In case the Scheme is not sanctioned by the Bombay High Court, or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme not being obtained or complied or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, and ZBIL, and BPTL shall bear the entire cost, charges and expenses in connection with the Scheme equally unless otherwise mutually agreed.

**33. COSTS, CHARGES & EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by ZBIL & BPTL only.



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

*True copy*  
*Kamini*  
*Sahwale*

In The High Court of Judicature at Bombay

Ordinary Original Civil Jurisdiction

Company Petition No 523 of 2009

Connected with

Company Application No 387 of 2009

In the matter of Section 391 to 394 of the  
Companies Act, 1956

And

In the matter of Scheme of Arrangement  
between Zenith Birla (India) Limited and  
Birla Precision Technologies Limited and  
Tungabhadra Holdings Private Limited and  
their Respective Shareholders

Birla Precision Technologies Limited

.....Petitioner

AUTHENTICATED COPY OF ORDER  
DATED 8<sup>TH</sup> JANUARY 2010 AND  
SCHEME ANNEXED TO THE  
PETITION.



Applied on 14-01-2010  
Engrossed on 14-01-2010  
Session Writer .....

Police .....

Examined by D.D. Mujale

Compared with M. S. Chitambar

Ready on 19-01-10

Subscribed on 22-01-10

HEMANT SETHI & CO.

Advocates for Petitioner Company

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3A Sion West

Mumbai 400022