

The Birla Cotton Spinning & Weaving Mills Limited

Memorandum and Articles of Association

(Incorporated on 10-3-1920 under the Indian Companies Act, 1913)

COMPANY NO. 55-99621

(SECTION 18(3) OF COMPANIES ACT, 1956)

M/s. Birka Cotton Spinning & Weaving Mills Limited

having by special resolution altered the provisions of its

Memorandum of Association with respect to place of the

Registered Office by changing it from the State of west

Bengal to the NCT of Delhi and

such alteration having been confirmed by an order of CLB

Eastern Region Bench vide O.P.No.184(17)/ERB/99

bearing the date 9-3-99

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at NEW DELHI this

Fifth day of May One

thousand nine hundred and Ninety Nine



Alma.

(R.K. Salonia)

ASSTT. ADDL. REGISTRAR OF COMPANIES,
NCT OF DELHI & HARYANA.

No. 6764
IN THE OFFICE OF
THE REGISTER OF COMPANIES UNDER ACT VII OF 1913.
IN THE MATTER
OF
THE BIRLA COTTON SPINNING AND
WEAVING MILLS LIMITED

I do hereby certify that pursuant to Act VII, 1913, of the Legislative Council of India, entitled "The Indian Companies Act, 1913," Memorandum of Association and Articles of Association (annexed) have been this day filed and registered in my office, and that the said Company has been duly incorporated and is a Company limited by shares, pursuant to the provisions of the said Act. Dated this 10th day of March, One Thousand Nine Hundred and Twenty.



Memo of Fees.

5243

[For Registering the Company
Ditto Articles of Association

Rs.	A.	P.
625	0	0
3	0	0
TOTAL Rs.	628	0 0

Rupees Six hundred and twenty-eight only

(Sd.) W. STATHER HALE

Registrar of Companies under Act VII of 1913

Entered by KALIBAR MUKHERJEE
In Ledger Vol. XLVII being No. 3680
Certificate No. 6764 for 1919-20 503 for 1919-20

Sd/- SATISH CHANDRA DATTA,
Head Clerk.

(THE INDIAN COMPANIES ACT, 1913)
MEMORANDUM OF ASSOCIATION
OF
THE BIRLA COTTON SPINNING AND
WEAVING MILLS LIMITED

1. The Name of the Company shall be "THE BIRLA COTTON SPINNING AND WEAVING MILLS LTD." Name
2. The Registered Office of the Company will be situated in the National Capital Territory of Delhi. Registered Office

(Adopted vide Special resolution passed at the Annual General Meeting held on 18th September, 1998 and approved by the Company Law Board, Calcutta. Vide order dated 9th March, 1999)
3. The objects for which the Company is established are :— Objects
 - (1) To purchase or acquire from BABU GHANSHYAM DAS BIRLA the existing Birla Cotton Spinning & Weaving Mills at Delhi as a going concern with all its assets and liabilities on such terms and conditions as the Directors of the Company may agree upon.
 - (2) To carry on the business of spinners, weavers, manufacturers, ginneries, balers and presses of cotton, kapas, yarn, cotton waste, yarn waste, hemp, jute and any other fibrous material and the cultivation thereof and the business of buyers, seller and dealers of Cotton kapas. Cotton waste, yarn waste, hemp, jute and any other fibrous material, oil seeds and any other seeds and produce and of any goods or merchandise whatsoever and to transact all manufacturing or treating and preparing processes and mercantile business that may be necessary or expedient and to purchase and vend the raw material and manufactured articles.
 - (3) To carry on the business of an electric light and power company in all its branches and in particular to lay down, construct and carry out all necessary cables, wires lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity for the purposes of light, heat, motive power or otherwise and to carry on the business of mechanical engineers, electricians and manufacturers of and dealers in all apparatus and things required for or capable of being used in connection with such business.
 - (4) To purchase or otherwise acquire by cultivation or any other manner seeds and agricultural produce of any description whatever and to press or otherwise treat the same and prepare oil or other preparation therefrom

and to sell and barter such seeds and agricultural produce or otherwise dispose of oil and other products so prepared and also to work up any oil and products and other material into any form, shape or mark and to sell or otherwise dispose of the same

- (5) To purchase and hold in fee or on lease or otherwise and to make advances on any land or lands in British India or elsewhere and to purchase, acquire, hire, hold, make and maintain roads, canals, watercourses, ferries, piers, wharves and other ways and to make, construct, purchase, acquire, hire, hold, improve, alter, manage, let, sell, ex-change, barter and dispose of lands, leases, buildings, warehouses, works, railways, sidings, tramways and other engines, machinery and apparatus whatsoever for the purposes of the said business or any extension thereof.
- (6) To erect upon the said land to be acquired as aforesaid and upon any other lands and property which may hereafter be purchased or leased or acquired by the said Company such mills, building, houses and erections as may be required for carrying on the said business or businesses and to purchase and put into working order such machinery and other accessories as may from time to time be required for carrying on the said business or businesses or any of them.
- (7) To construct, carry out, maintain, improve, manage, work, control and superintend any hats, markets, reservoirs, water works, tanks, bridges and works in connection there-with, hydraulic works, electrical works and factories, coolie lines and houses, bustees, villages and other works and conveniences which may seem directly or indirectly conducive to any of the, objects of the Company and to contribute to subsidise or otherwise aid or take part in such operations.
- (8) To cultivate the lands and properties of the Company and to develop the resources of the same by draining, clearing, planting, pasturing or farming and for the purposes afore-said to purchase from time to time such live-stock and employ such labour and from time to time to sell all or any part of the live or deadstock, timber and produce of the said lands as may be necessary for the carrying on the business of planting and farming and pasturing of the said lands.
- (9) To purchase, charter, hire, build or otherwise acquire steam or other ships or vessels, steam launches, flats, barges and cargo boats with all equipments and furniture and to employ the same in the conveyance of passengers, mails, live-stock, grain and other agricultural produce and treasure and also of goods and merchandise of every description and specie on the principal rivers of India with their tributaries, and also to run vessels to sea to any port or ports whatsoever whether inland, seaboard or foreign and to take vessels, flats, barges and other steam craft in tow of its vessels as the Company may from time to time determine and to acquire postal subsidies and enter into mail or other contracts.
- (10) To purchase coal, timber, cattle, live-stock, salt, kerosene oil plant, machinery, treasure, stores, goods and merchandise and to deal with and dispose of the same by sale or otherwise.

- (11) To sell, let, charter or otherwise dispose of the said vessels or other property of the Company.
- (12) To carry on the business of shipowners in all its branches.
- (13) To carry on the business of warehousemen and wharfingers.
- (14) To carry on the business of underwriters or insurers of ships, goods or merchandise or other property.
- (15) To enter into any contract or arrangement or other dealing for the more efficient conduct of the traffic or business of the Company or any part thereof.
- (16) To export manufactured goods, produce oil seeds into other markets.
- (17) To carry on the business of carriers by rail or otherwise on land and by water.
- (18) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the aforementioned business or any of them or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (19) To acquire and undertake the whole or any part of the business, property and liabilities of any person or Company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of this Company.
- (20) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise or amalgamate with any person or Company carrying on or engaged in or about to carry on or engage in any business or transaction capable of being carried or conducted so as directly or Indirectly to benefit this Company and to lend money to or guarantee the contracts of or otherwise assist any such person or company and to take or otherwise acquire shares and securities of any such Company or in any other Company having objects altogether or in part, similar to those of this Company and to sell, hold, reissue with or without guarantee or otherwise deal with the same.
- (21) To sell, let, exchange or otherwise deal with the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of this Company and if thought fit to distribute the same among the shareholders of this Company.
- (21a)* To purchase, acquire, hold and dispose of or otherwise deal and invest in any shares, debenture and other securities in or of any company or companies and to act as Investors, guarantors, underwriters, financiers, to industrial enterprises either out of its own funds or out of funds that the company might borrow by issue of debenture or from bankers or otherwise howsoever in any other manner whatsoever.
- (22) To promote any other Company for the purpose of acquiring all or any of

*As per Special Resolution adopted in Annual General Meeting dated 26th September, 1997.

the property and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company.

- (23) To receive on deposit at interest or otherwise and to lend money on mortgage of immovable property or on hypothecation or pledge of movable property to such person and on such terms as may seem expedient and in particular to customers of and persons having dealings with the Company.
- (24) To purchase or otherwise acquire any patent, brevets d'invention, licence, concessions, monopolies, and the like conferring any exclusive or non-exclusive or limited right to use any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit this Company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property and rights so acquired.
- (25) To enter into any arrangement with the Government of India or any local Government or with any authorities, municipal, local or otherwise, or with any Rajahs, Zamindars, Landholders or other persons that may seem conducive to the Company's objects or any of them and to obtain from such Government or authority, Rajahs, Zamindars, Landholders or other persons any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangement, rights, privileges and concessions.
- (26)* To establish and support or aid in the establishment and support of association, institution, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or the dependants or connections of such persons and to make payments towards insurance and to subscribe or guarantee money for any political, charitable or benevolent objects or for any exhibitions or for any public general or useful object.
- (27) To distribute any of the property of the Company among the members in specie but so that no distribution amounting to a reduction in capital be made without the sanction of the Court if requisite.
- (28) To make, accept endorse, execute and issue Promissory Notes. Bills of Exchange, Bills of Lading, Debentures and other negotiable or transferable instruments.
- (28a) To accept and to make gifts in tangible or intangible assets, shares, securities, property, movable or immovable in or outside India.
- (29) To invest or deposit the moneys of the Company not immediately required upon such securities or in such manner as may from time to time be determined by the Managing Agents.

*As per Special Resolution adopted on 25-9-1965 and confirmed by the Circuit Bench of the Punjab High Court at Delhi on 17-12-1965

- (30) To guarantee the performance of contracts by members of or persons having dealings with the Company.
- (31) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital if any and to apply the same or any part thereof for all or any purposes of the Company and to purchase, redeem or pay off any such securities.
- (32) To remunerate any person or Company for service rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debentures or debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the conducted of its business.
- (33) To establish agencies or branches for the purchase and sale of goods of all description in India, England or elsewhere and to undertake the management of any Company or Companies having objects altogether or in part similar to those of this Company.
- (34) To manage, let, mortgage, sell, underlet, or otherwise turn to account, dispose of, or deal with all or any part of the real or immovable and personal or movable property and rights of the Company whenever and however acquired.
- (35) And generally to do and perform all such other acts and things as may in the opinion of the Managing Agents of the Company for the time being be incidental or conducive to me attainment of the above objects or any of them.
- (36) To do all or any of the above things as principals, agents, contractors, trustees or otherwise and either alone or in conjunction with others.
- *(37) To carry on the business of importers, exporters, traders, buyers, sellers and otherwise deal in Gold, Silver and other precious metals and all articles and merchandise of all kinds either ready or for forward delivery ornaments and jewelleryes made of precious or semi-precious stones and materials and antiques.

MEMBERS LIABILITY

- 4. The liability of the members is limited.
- 5.** The Capital of the Company is Rs. 2,00,00,000 divided into 17,50,000 Ordinary Shares of Rs. 10/- each and 25,000 Preference Shares of Rs. 100/- each and that such shares shall confer on the holders thereof such rights as may be determined by the Directors at the time of issue thereof.

*As per special Resolution adopted in Annual General Meeting dated 18th September, 2001

** (As per Special Resolution adopted on 25.8.1966)

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

Name, Address, and Description of the Subscribers	Number of Shares taken By each Subscriber	Name, Address and Descriptions of Witnesses
1. Ghanshyam Das Birla Merchant 137, Canning Street, Calcutta.	One	Witness to all the signatures- Sourindra Mohan Aikat Clerk to Messrs. Birla Bros. Ltd. 137, Canning Street, Calcutta.
2. Narsingh Das Kothary Merchant 2, Royal Exchange Place, Calcutta	One	
3. Ghanshyam Das Loyalka, Merchant 2, Royal Exchange Place, Calcutta	One	
4. Ganga Bux Kanoriya Merchant 137, Canning Street, Calcutta	One	
5. Bhagirath Mall Kanoriya Merchant 137, Canning Street, Calcutta	One	
6. Debi Prosad Khaitan Solicitor 137, Canning Street, Calcutta	One	
7. Sunder Lall Bapushah Dalal Assistant to Messrs. Birla Bros. Ltd. 137, Canning Street, Calcutta	One	
Total	Seven	

Dated, this 25th day of August, 1919.

(THE INDIAN COMPANIES ACT, 1956)
ARTICLES OF ASSOCIATION
OF
THE BIRLA COTTON SPINNING AND
WEAVING MILLS LIMITED

*Adopted by special resolution passed at the Extra-ordinary
General Meeting of the Company held on
the 11th March, 1964*

PRELIMINARY

1. Save as provided herein, the regulations contained in Table "A" in Schedule I to the Act, or in the Schedule to any previous Act shall not apply to the Company. Table "A" not to apply
2. The following expressions shall have the following meanings unless there be something in the subject or context inconsistent therewith- Interpretation
 - "The Company" means "THE BIRLA COTTON SPINNING & WEAVING MILLS LIMITED."
 - "The Act" means the Companies Act, 1956.
 - "The Directors" means the Directors of the Company or as the case may be, the Directors assembled at a Board meeting.
 - "The Managing Agents" means the Managing Agents of the Company.
 - "The Office" means the Registered Office of the Company.
 - "The Register" means the Register of Members to be Kept pursuant to the Act.
 - "The Registrar" means the Registrar of Companies of the State in which the office is situated.
 - "Dividend" Includes bonus.
 - "Month" means calendar month.
 - "Seal" means the Common Seal of the Company.
 - "In Writing" and "Written" include printing, lithography, and other modes of representing or reproducing words in a visible form.
 - Words importing the singular number only include the plural number, and "vice versa".
 - Words importing the masculine gender only include the feminine gender. Words importing persons include corporations.
 - Unless the context requires words or expressions contained in these Articles shall bear the same meaning as in the Act.

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

II CAPITAL

(1) SHARES

Redeemable
Preference
Shares

- 3.* The Company shall have power to Issue preference shares which are, or at the option of the Company are to be liable to be redeemed in accordance with the provisions of Section 80 of the Companies Act, 1956.

(3A) 25,000,9.3 % Cumulative Redeemable Preference Shares of Rs. 100/- each will have the following rights attached to them —

- (i) The preference shares shall carry the right to a fixed cumulative preferential dividend @ 9.3% per annum (free of Company's tax, but subject to deduction of tax at source at the prescribed rates) on the capital for the time being paid up or credited as paid-up thereon.
- (ii) The said shares shall be entitled in winding up of the Company to the payment of capital and arrears of dividend whether earned or declared or not upto the commencement of winding up in priority to the Ordinary shares, but shall not be entitled to any further participation in profits and shall not confer on the holders thereof the rights to speak and/or vote either in person or by proxy or by attorney at General Meeting of the Company save as otherwise provided under the Companies Act, 1956.
- (iii) In the event of the Company creating and/or issuing further preference shares in future ranking pari passu with the said Preference Shares, it would do so only with the consent in writing of the holders of not less than 3/4th of the Preference Shares then outstanding or with the sanction of a special resolution passed at a separate meeting of the holders of that class.
- (iv) The said shares shall be redeemed at par on the expiry of 12 years from the date of allotment.

Allotment of
shares

4. Subject to the provisions of these Articles, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such person, on such terms and conditions, and at such times, as the Directors think fit and with power to issue any shares as fully paid up in consideration of service rendered to the Company In Its formation or otherwise. Provided that where the Directors decide to increase the issued capital of the Company by the issue of further shares, the provisions of Section 81 of the Act will be complied with. The Directors with the sanction of the Company in General Meeting, shall have full power to give to any person the right to call for the allotment of any shares either at par or at a premium, and for such period and for such consideration as the Directors think fit.

Further issue of
capital by
Directors

Power to issue
shares at a
discount

5. Subject to the provisions of the Act it shall be lawful for the Company to issue at a discount shares of a class already Issued.

*As per Special Resolution adopted on 22-3-1969

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| 6. | The Company may, subject to the compliance with the provisions of Section 76 of the Act exercise the powers of paying commission on the issue of shares and debentures. The commission may be paid or satisfied in cash or in shares, debentures or debenture-stock of the Company. | Power to pay certain commissions for placing shares |
| 7. | The Company may pay a reasonable sum for brokerage. | Brokerage |
| 8. | Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any trust, benami or equitable or other claim to or interest in such share on the part of any other person or any Interest in any fractional part of a share whether or not it shall have express or other notice thereof. | Trusts not recognised |

(2) CERTIFICATES

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| 9. | The certificate of title to shares shall be issued under the Seal of the Company. | Certificates |
| 10. | Every member shall be entitled free of charge to one or more certificate for all the shares of each class registered in his name in marketable lots, or if the Board so approves to several certificates each for one or more of such shares, but in respect of each additional certificate, the Company, if the Board so determines shall be entitled to charge a fee of not exceeding Re. 1. | Member's right to certificate |
| 11. | If any certificate be worn out or defaced, then, upon production thereof to the Company, the Board may order the same to be cancelled, and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Board and on such indemnity as the Board deems adequate being given, a new certificate in lieu thereof may be given. For every such new certificate and for every new certificate issued on the consolidation or sub-division of certificates, there shall be paid to the Company, if the Board so determines, a sum not exceeding Re. 1. In case of destruction or loss the member to whom such new certificate is given shall also bear and pay to the Company all legal costs and other expenses of the Company incidental to the investigation by the Company of the evidence of such destruction or loss and to the preparation of such indemnity. | As to issue of new certificate in place of one defaced, lost or destroyed, etc. |

(3) JOINT-HOLDERS OF SHARES

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| 12. | Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to the provisions following and to the other provision of these Articles relating to joint-holders :— | Joint-holders |
| (a) | The Company shall not be bound to register more than four persons as the joint-holders of any share. | Maximum number |
| (b) | The joint holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share. | Liability several as well as joint |
| (c) | On the death of any one of such joint-holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit. | Survivors of joint-holders only recognised |

Delivery of
certificate

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

(4) CALLS

Calls

13. The Directors may, from time to time; subject to the terms on which any shares, may have been issued, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.

When call
deemed to have
been made

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

Notice of call

15. Not less than 14 days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

Amount payable
at fixed times or
by instalments
payable as calls

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

When interest on
call or instalment
payable

17. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof the holder for the time being of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest for the same at the rate of 12 per cent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine but they shall have power to waive the payment thereof wholly or in part.

Evidence in
actions by
Company
against share-
holders

18. On the trial or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was when the claim arose, on the Register of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the meeting at which any call was made nor that such meeting was duly convened or constituted, nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment of calls
in advance

19. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for and upon the money so paid in advance, or so much

thereof as from time to time exceeds the amount of calls then made upon the share in respect of which such advance has been made, the Company may at the option of the Directors either pay interest at such rate as may be agreed or provide for payment of dividend in proportion to the amounts paid up (which shall include amounts paid in advance as aforesaid), but the member shall not be entitled to any voting rights in respect of money so paid by him until the same would but for such payment become presently payable.

(5) FORFEITURE AND LIEN

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| <p>20. If any member fails to pay any call or Instalment on or before the day appointed for the payment of the same, the Directors may, at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reasons of such non-payment.</p> | <p>If call or instalment not paid, notice may be given</p> |
| <p>21. The notice shall name a day (not being less than 21 days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place or places appointed, the shares in respect of which such call was made or Instalment is payable will be liable to be forfeited.</p> | <p>Form of notice</p> |
| <p>22. If the requisitions of any such notice as aforesaid be not complied with any shares in respect of which such notice has been given may, at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as herein provided.</p> | <p>If notice not complied with shares may be forfeited</p> |
| <p>23. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.</p> | <p>Notice after forfeiture</p> |
| <p>24. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot or otherwise dispose off the same such manner as they think fit.</p> | <p>Forfeited share to become property of the Company</p> |
| <p>25. The Directors may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as they think fit.</p> | <p>Power to annul forfeiture</p> |
| <p>26. Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and the expenses owing upon or in respect of such shares</p> | <p>Arrears to be paid notwithstanding forfeiture</p> |

at the time the forfeiture together with Interest thereupon, from the time of the forfeiture until payment at 12 per cent per annum or such other rate as the Directors may determine and the Directors may enforce the payment thereof without any deduction or allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.

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| Effect of forfeiture | 27. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved. |
| Evidence of forfeiture | 28. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof, shall constitute a good title to such shares. |
| Company's lien on shares | 29. The Company shall have a first and paramount lien upon all the shares (not fully paid up) registered in the name of each member (whether solely or jointly with others), and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interest in any share shall be created except upon the footing and condition that Articles 8 hereof is to have full effect and the said lien shall extend to all dividends 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. |
| As to enforcing lien by sale | 30. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators, or his committee, curator bonis or other person recognised by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member, and the residue (if any) paid to such member, his executors, administrators, or other representatives or persons recognised as aforesaid. |
| Application of proceeds of sale | |
| Validity of sales | 31. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Directors 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 in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved the sale shall be in damages only and against the Company exclusively. |

32. Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered to the Company by the former holders of the said shares the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up

Power to issue
new certificate

(6) TRANSFER AND TRANSMISSION OF SHARES

33. Subject to the provisions of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the shares, or if no such certificate is in existence, along with the letters of allotment of shares, The instruments of transfer of any shares shall be signed both by the transferor and transferees and shall contain the name, and other particulars both of the transferor and 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 in respect thereof.

Execution of
transfer, etc.

34. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor; no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manner prescribed by the Act, and, subject to the provisions of Articles 8, 37 and 38 hereof, the company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

Application for
transfer

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

Notice of transfer
to registered
holder

36. Neither the Company nor its Directors shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and the transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the share transferred, or otherwise in defective manner. And in every such case the person registered as transferee,

Indemnity
against wrongful
transfer

his executors, administrators and assigns alone shall be entitled to be recognised as the holder of such share and the previous holder shall so far as the Company is concerned be deemed to have transferred his whole title thereto.

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|---|-----|--|
| In what case to decline to register transfer of shares | 37. | Subject to the provisions of Section 111 of the Act, the Board, without assigning any reason for such refusal, may, within two months from the date on which the instrument of transfer was delivered to the Company, refuse to register any transfer of a share upon which the Company has a lien and, in the case of a share not fully paid up, may refuse to register a transfer to a transferee of whom the Board does not approve. |
| No transfer to minor or person of unsound mind | 38. | No transfer shall be made to a minor or a person of unsound mind or firm without the consent of the Board. |
| When instrument of transfer to be retained | 39. | All Instruments of transfer which shall be registered shall be retained by the Company. |
| Notice of refusal to register transfer | 40. | If the Directors refuse to register the transfer of any shares, the Company shall, within two months from the date on which the Instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal. |
| Power to close transfer books and register | 41. | On giving seven days' notice by advertisement in a newspaper circulating in the District in which the office of the Company is situated, the Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty-five days in each year but not exceeding thirty days at a time. |
| Transmission of registered shares | 42. | The executors or administrators or the holders of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the Company shall recognise as having any title to the shares registered in the name of such member and in case of the death of any one or more of the joint holders of any registered shares, the survivors shall be the only persons recognise by the Company as having any title to or Interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Before recognising any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate or other legal representation, as the case may be, from a competent Court: Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable. |
| As to transfer of shares of deceased or insolvent members

Transmission Article | 43. | Any person becoming entitled to or to transfer shares in consequence of that death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Directors think sufficient, may, with consent of the Director (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may subject to the regulations as to transfer |

hereinbefore contained transfer such shares. This article is hereinafter referred to as "The Transmission Article". Subject to any other provisions of these Articles, if the persons so becoming entitled to shares under this or the last proceeding Articles shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the shares to some other person he shall execute an instrument of transfer in accordance with provisions of these Articles relating to transfer of shares. All the limitations, restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid.

Notice of election to be registered as a shareholder

Provisions of Articles relating to transfer applicable

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

Rights of Unregistered executors and trustees

(7) SHARE-WARRANTS

45. Subject to the provisions of Sections 114 and 115 of the Act and subject to any directions which may be given by the Company in General Meeting, the Board may issue share warrants in such manner and on such terms and conditions as the Board may deem fit. In case of such issue clauses 40 to 43 of Table 'A' in Schedule I to the Act, shall apply.

Power to issue Share warrants

(8) STOCKS

46. The company may exercise the power of conversion of its shares into stock and in that case clauses 37 to 39 of Table "A" in Schedule I to the Act, shall apply.

Conversion of Shares into Stock and re-conversion

(9) ALTERATION OF CAPITAL

47. The Company may by ordinary resolution, from time to time after the conditions of Memorandum of Association as follows :
- (a) Increase the Share Capital by such amount to be divided into shares of such amount as may be specified in the resolution ;
 - (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (c) Subdivide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however that in the sub-division the proportion between the amount paid and the amount, 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; and
 - (d) Cancel any shares which, at the date of the passing of the resolution, 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.
48. The resolution whereby any share is subdivided or consolidated may determine that, as between the members registered in respect of the shares resulting from such subdivision or consolidation, one or more of such shares shall have some

Power to sub-divide and consolidate

On what conditions new shares may be issued

preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the others or other subject nevertheless to the provisions of Sections 85, 87, 88, 93 and 106 of the Act.

- Surrender 49. Subject to the provisions of Sections 100 to 104 inclusive of the Act, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

(10) MODIFICATION OF RIGHTS

- Power to modify rights 50. Whenever the capital (by reason of the issue of preference share or otherwise) is divided into different classes of shares, all or any of the rights and privileges attached to each class may be varied in the manner provided in Section 106 of the Act and all the provisions hereinafter contained as to General Meeting shall, mutatis mutandis, apply as regard class meetings. Provided that the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied under this Articles by the creation or is of further shares and such new shares may be issued with such preferential rights as may be decided at the time of issue thereof.

(11) LOANS AND DEBENTURES

- Power to borrow 51. The Board may from time to time at its discretion, subject to the provisions of the Act, raise or borrow from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of Company.
- Conditions of borrowing 52. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of bonds, notes, convertible redeemable or otherwise, perpetual or redeemable debentures or debenture-stock or any mortgage or other security on the undertaking of whole or part of the property of the Company (both present and future), including its uncalled capital for the time being.
- Issue of debentures 53. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, or conversion, appointment of Directors and otherwise. Debentures, debenture stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

(12) RESERVES

- Reserves 54. 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 and pending such application may at like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit. The Board may also carry forward any profits which it may think prudent not be divide without setting them aside as a reserve.

III. GENERAL MEETING

(1) CONVENING OF MEETINGS

55. The Board or the Managing Agents may, whenever they think fit, call a general meeting provided however if at any time they are not in India Directors capable of acting who are sufficient in number to form a quorum any Directors may call a general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

(2) PROCEEDINGS AT GENERAL MEETING

56. The quorum for general meetings shall require presence of at least 5 (five) members and holding at least 51% of the total issued equity share capital of the Company at the beginning of the meeting and throughout the meeting to constitute a valid quorum for the general meeting. In the event quorum is not present within 30 (thirty) minutes of the time of convening the meeting, such meeting shall automatically stand adjourned to same day and time 1 (one) week later
57. At every General Meeting, the Chair shall be taken by the Chairman of the Board of Directors. If at any meeting the Chairman of the Board of Directors be not present within fifteen minutes after the time appointed for holding the meeting or, though present, be unwilling to Act as Chairman, the members present shall choose one of the Directors present to be Chairman, or if no Director shall be present and unwilling to take the Chair then the members present shall choose one of their members, being a member entitled to vote to be Chairman.
58. Any Act or resolution which, under the provisions of this article or of the Act is permitted or required to be done or passed by the Company in general meeting shall be sufficiently so done or passed by the Company in general meeting shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or the articles specifically require such Act to be done or resolution passed by a special resolution.
59. If with in half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon a requisition of shareholders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and place, unless the same shall be public holidays when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.
60. In the case of an equality of votes the Chairman shall, both on a show of hands and at a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member
- Quorum
- Chairman
- When if quorum not present meeting to be dissolved and when to be adjourned
- How questions or resolutions to be decided at meetings

Power to adjourn
General Meeting

61. The Chairman of a General Meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting.

Business may
proceed
notwithstanding
demand of poll

62. If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

(3) VOTES OF MEMBERS

Votes of
members

63. Notwithstanding anything contained in these Articles, neither the Company nor any shareholder, director, officer, committee member, employee, agent or any of their respective delegates shall, without the affirmative consent or approval of the shareholder(s) holding at least 51% (fifty one percent) of the total issued equity share capital of the Company, take any decisions or actions in relation to the matters set forth herein below (the "**Affirmative Vote Items**"), whether in any Board Meeting, meeting of a committee of directors, General Meeting, through any resolutions by circulation or otherwise, with respect to the Company.

1. Issuing any shares (equity or preference) or any debentures, instruments or obligations that are convertible into or give the right to subscribe for or acquire any equity or preference shares of the Company or any subsidiaries of the Company (including but not limited to convertible debt, convertible debentures, warrants or options) or any reduction in capital, including by means of buyback of shares;
2. Creation of any new class or series of shares or securities having rights, preferences or privileges senior to or on par with equity shares;
3. Setting up, incorporation of, acquisition of or investment in or the transfer or sale of, any shareholding, assets or other interest in, any subsidiary; creation of any encumbrance over any shareholding, assets or other interest in : any subsidiary.
4. Increasing or decreasing the size of the board of the Company;
5. Any sale, demerger, spin-off of all or substantially all the assets or any undertaking of the Company, any subsidiaries or any business combination;
6. Any declaration or payment of dividend or declaration or making of any other distribution (in cash or securities), directly or indirectly, on account of any equity shares or other securities or any setting aside of reserves from the profits of the Company;
7. Any consolidation, division or sub-division, conversion, repurchase, cancellation or buy-back of all or any share capital or any increase in share capital;
8. Appointment and changing the statutory auditor or any appointment or change of the internal auditor and fixing or changing the remuneration of the statutory auditor or internal auditor;

9. Adopting or approving the annual accounts: and
 10. Granting any power of attorney or delegating any powers of the board of directors to a committee or otherwise; identification and establishment of new committees of the board of directors and prescribing the functions and responsibilities of a committee of the board of directors;
- 63A. Notwithstanding anything contained in these Articles, neither the Company nor any shareholder, director, officer, committee, committee member, employee, agent or any of their respective delegates shall, without the affirmative written consent or approval of shareholders holding atleast 51% of the total issued equity share capital of the Company, take any decisions or actions in relation to the matters set forth herein below (the "Business Reserved Matters"), whether in any Board Meeting, meeting of a committee of directors. General Meeting, through any resolutions by circulation or otherwise, with respect to the Company:
1. Any material alteration in nature of the business, operations or activities, including any diversification or the undertaking of any new business or venture;
 2. The adoption and amendment of any business plan:
 3. Any transaction involving: (i) the acquisition of or investment in any person or business including any in any subsidiary or any other person: (ii) any capital expenditure for an amount greater than INR 10 (Ten) Lacs, (iii) the disposition of any asset for an amount greater than INR 10 (Ten) Lacs or less than the book value of such asset, in each case, other than set out in any business plan or budget approved by the Board in accordance with this Article;
 4. Commencement or settlement of or taking any decision in respect of any material litigation (including arbitration) involving sums in excess of INR 10 (Ten) Lacs;
 5. Changing the accounting period or accounting policies.
64. Subject to the provisions of the Articles, any person entitled under the Transmission Article of transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that seventy two hours atleast before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non compos mentis, he may vote whether on a show of hands or at a poll by his committee, curator bonus or other person recognised by the Company as entitled to represent such member and such last mentioned persons may give their votes by proxy.
65. Where there are jointholders of any 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 either personally or by proxy then that one of the said persons so present whose name stands prior in order on the Register in respect of such

Votes in respect
of deceased
insolvent and
insane members

Joint-holders

	share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.
Instrument appointing proxy to be in writing	66. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his Attorney duly authorised in writing or If such appointor is a corporation under its common seal or the hand of its Attorney
Instrument appointing proxy to be deposited at the office	67. The instrument appointing a proxy and the Power-of-Attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of authority shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the Instrument proposes to vote in default the instrument of proxy shall not be treated as valid.
When vote by proxy valid though authority revoked	68. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of transfer of the share in respect of which the vote is given : Provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office or by the Chairman of the Meeting before the vote is given : Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.
Form of instrument appointing proxy	69. Every instrument appointing a proxy shall, as nearly as circumstances will admit, be in the form set out in Schedule IX to the Act.
Restrictions on voting	70. No member shall be entitled to vote on any question either personally or by proxy or as proxy for another member at any General Meeting or upon a poll or be reckoned in a quorum whilst any call or other sum shall be due and payable presently to the Company in respect of any of the shares of such member.
Validity of votes	71. No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.

IV. DIRECTORS

(1) GENERAL PROVISIONS

Number of Directors	*72. Until otherwise determined by the Company in General Meeting, the number of Directors shall not be less than three nor more than ten.
Present Directors	73. At the date of the adoption of these Articles, the Directors of the Company are :- <ol style="list-style-type: none"> 1. Shri. K. K. Birla 2. Shri B.P. Khaitan 3. Shri P. D. Himatsingka 4. Shri G. D. Kothari

*As per Special Resolution adopted at Annual General Meeting held on 30.9.1976.

5. Shri R. P. Poddar

6. Shri M.K, Chowdhry

74. (Deleted vide special resolution passed in Extra Ordinary General Meeting of shareholders held on 14-7-1975).
75. Each Director shall be entitled to be paid out of the funds of the Company by way of remuneration for his services the sum of Rs. 200 for every meeting of the Board of Directors attended by him. The Directors shall also be entitled to receive in each year a Commission @ 1 % of the net profits of the Company, such commission to be calculated on the net profits of the Company to be computed in accordance with the provision of the Companies Act, 1956 and such commission shall be divided among the Directors in such proportion and manner as may be determined by them. The Directors may allow and pay to any Director who for time being is resident out of the place at which any Meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to his remuneration as above specified. If any Director being willing shall be called upon to perform extra services or to make any special exertion for any of the purposes of the Company the Directors shall be entitled to remunerate such Director either by a fixed sum or percentage of profit or in any other manner as may be determined by the Directors in addition to the remuneration above provided.
76. The continuing Directors may act notwithstanding any vacancy in the body but so that if the number falls below the minimum above fixed the Directors shall not except for the purpose of filling vacancies or of summoning a General Meeting act so long as the number is below the minimum.
77. Subject to the provisions of the Act, the Directors (including a Managing Director) and the Managing Agents shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or the Managing Agents or with any company or partnership, of or in which any Director or the Managing Agents shall be a member or otherwise interested be avoided, nor shall any director or the Managing Agents so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director or the Managing Agents holding that office or of the fiduciary relation thereby established.
- Remuneration of Directors
- Continuing Directors may act
- Directors and Managing Agents may contract with Company

(2) APPOINTMENT OF DIRECTORS

78. The Company in General Meeting, may, subject to the provision of these Articles and the Act, at any time elect any person to be a Director and may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.
- Appointment of Directors

Appointment of
Additional
Director

79. (a) The Directors shall have power at any time and from time to time to appoint any person other than a person who has been removed from the office of a Director of the Company to be a Director of the Company as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed. Any Director so appointed shall hold office only until the conclusion of the next following Annual General Meeting of the Company when he shall be eligible for reappointment.

Casual vacancy
may be filled by
Board

- (b) The Directors shall also power to fill a vacancy in the Board. Any Director so appointed shall hold office only so long as the vacating Director would have held the same if no vacancy had occurred.

- *80. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain due and owing by the Company to Industrial Development Bank of India (IDBI) or Industrial Finance Corporation of India (IFCI) or the Industrial Credit and Investment Corporation of India Limited (ICICI) or Life Insurance Corporation of India (LIC) or any other financing Corporation or Company or Body (each of which institution is hereinafter referred to as "the Lending Institution") out of any loans granted by them to the Company or so long as the lending institutions or any of them holds debentures in the Company by direct subscription or private placement or so long as the lending institution holds shares in the Company as a result of conversion of the said loans/debentures, the Lending Institution shall have a right to appoint from time to time one or more persons as director(s) on the Board of Directors of the Company (which Director is hereinafter referred to as "the Nominee Director"), The nominee Director shall not be required to hold qualification shares and shall not be liable to retire by rotation. The Lending Institution may at any time and from time to time remove the Nominee Director appointed by it and may, in the event of such removal and also in case of death or resignation of the Nominee Director, appoint another in his place and also fill up any vacancy which may occur as a result of the Nominee Director ceasing to hold office for any reason whatsoever. Such appointment or removal shall be made in writing by the Lending Institution and shall be delivered to the Company at its registered office. The Board of Directors of the Company shall have no power to remove the Nominee Director from Office. Each such Nominee Director shall be entitled to attend all General Meetings, Board Meetings and meetings of the Committee of which he is a member and he and the Lending Institution appointing him shall also be entitled to receive notice of all such meetings as also the Minutes of all General Meetings. The Nominee Director shall be paid all remuneration, fees, allowances, expenses and other moneys to which other Directors are entitled. Subject as aforesaid, the Nominee Directors shall be entitled to the same rights and privileges and Save and except as otherwise provided for in the Industrial Finance Corporation of India Act, 1948, Industrial Development Bank of India Act, 1964 and Life Insurance Corporation of India Act, 1956, be subject to the same obligations as any other Director of the Company. The Nominee Director shall ipso facto vacate his office immediately the moneys owed by the Company to the Lending Institution are paid off or on the Lending Institution ceasing to hold shares/debentures of the Company.

*As per Special Resolution adopted on 20.4.1977.

81. The Board may appoint any person to act as an alternate director for a director during the latter's absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meeting of the Board and to attend and vote thereat accordingly; but he shall ipso facto vacate office if and when the absent Director returns to the State in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

Alternate
Directors

(3) ROTATION OF DIRECTORS

82. At the Annual General Meeting of the Company in every year, one-third of the Directors for the time being liable to retire by rotation and if their number is not three or a multiple of three, then the number nearest thereto shall retire from office. The Directors to retire at such Annual General Meeting shall be the Directors (other than ex-officio Director or Directors who by virtue of the provisions of any agreement with any Central or State Government or credit institution are not liable to retire) who shall have been longest in office since their last election. As between Directors who became Directors on the same day those to retire shall (in default of agreement between them) be determined by lot. For the purpose of this Articles a Director appointed to fill a vacancy under the provisions of Articles 79(b) shall be deemed to have been in office since the date on which the Director, in whose place he was appointed, was last elected as a Director.

Rotation of
Directors

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

Retiring Director
eligible for re-
election

84. Subject to any resolution for reducing the number of Directors, if at any meeting at which an election of Directors ought to take place the places of the retiring Directors are not filled up, the meeting shall stand adjourned till the same day in the next week 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 and it at the adjourned meeting the places of the retiring Directors are not filled up the retiring Directors or such of them as have not had their places filled up shall (if willing to continue in office) be deemed to have been re-elected at the adjourned meeting.

Adjournment of
meeting for
election of
Directors

(4) PROCEEDINGS OF DIRECTORS

85. The Directors may meet together for the despatch of business, adjourned and otherwise regulate their meetings and proceedings as they think fit.

Meetings of
Directors

86. The Secretary or the Managing Agents may at any time, and upon request of any two Directors shall, summon a meeting of the Directors.

Summoning a
meeting of
Directors

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

Voting at meeting

88. The Chairman of the Board of Directors shall be the Chairman of the meeting of Directors : Provided that if the Chairman of the Board of Directors is not present, the Directors present shall choose one of their member to be Chairman of such meeting.

Chairman of
meeting

- | | |
|---------------------------|---|
| Acts of meeting | 89. A meeting of Directors in which a quorum is present shall be competent to exercise all or any of the authorities, power and discretions by or under the Articles of the Company and the Act for the time being vested in or exercisable by the Directors. |
| Delegation to committees | 90. The Directors may subject to compliance of the provisions of the Act from time to time delegate any of their powers to Committee consisting of such member or members of their body as they think fit and may from time to time revoke such delegation. Any Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors. The meeting and proceedings of any such Committee, if consisting of two or more members, shall be governed by the provisions for regulating the meeting and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under this Article. |
| Validity of acts | 91. All act done at any meeting of Directors or of a Committee of the Directors or by any person acting as a Director shall notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Directors, Committee or person acting aforesaid or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was duly qualified. Provided always that nothing in this Article shall be deemed to give validity to acts done by such Directors, Committee or person acting as aforesaid after it has been shown that there was some defect in any appointment or that they or any of them were disqualified. |
| Resolution by circulation | 92. A resolution may be passed by the Board by circulation in accordance with the provisions of Section 289 of the Act. |
| Minutes to be made | 93. The Directors shall cause minutes to be duly entered in the books provided for the purposes— <ul style="list-style-type: none"> (a) of all appointments of officers and Committees made by the Directors; (b) of the names of the Directors present at each meeting of the Directors and to any Committee of Directors; (c) of all orders made by the Directors and Committees of Directors; (d) of all resolutions and proceedings of General Meetings and of meetings of Directors and Committees. |

And any such minutes of any meeting of Directors or of any Committee or of the Company, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be receivable as prima facie evidence of the matters stated in such minutes.

(5) POWERS OF DIRECTORS

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| General powers of Company vested in Directors | 94. The business of the Company shall be managed by the Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of these |
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presents and to any regulation not being inconsistent with the presents from time to time made by the Company in General Meeting : Provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

95. The Directors or the Managing Agents may make such arrangements as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint local boards, attorneys and agents and fix their remuneration, and delegate to them such powers as may be deemed requisite or expedient. The Company may have for use abroad such official seal as is provided for by Section 50 of the Act. Such seal shall be affixed by the authority and in presence of, and the instruments sealed therewith shall be signed by such persons as the Directors shall from time to time by writing under the Seal appoint. The Company may also exercise the powers of keeping Foreign Registers as provided by the Act.

Management
abroad

V. MANAGING AGENTS

96. Birla Brothers Private Ltd. shall, subject to the provisions of the agreement for the time being subsisting with them and of the Act, be entitled to the management and carrying out of the whole of the affairs of the Company, subject to the superintendence control and directions of the Board of Directors.

Management by
Managing Agents

VI. THE SEAL

97. The Directors shall provide a 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 Managing Agents shall provide for the safe custody of the Seal and the Seal shall except as otherwise empowered under the Act or rules thereunder, never be used except by the authority of the Directors or of a Committee of the Directors or of the Managing Agents and, one Director or the Managing Agents as the case may be, shall sign every instrument to which the Seal is affixed : Provided, nevertheless, that any instrument bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors or the Managing Agents to issue the same.

Custody of Seal
etc.

VII. BOOKS OF ACCOUNT AND DIVIDENDS

(1) BOOKS OF ACCOUNT

98. The books of account shall be kept at the Office of the Company or at other place as the Directors think fit.
99. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of the members not being Directors, and no member not being a Director) shall have any right of inspecting any account or be or document of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.

Books of account
to be kept

Inspection by
members

When accounts
to be deemed
finally settled

100. Every Balance Sheet and Profit and Loss 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 account shall forthwith be corrected and therefor shall be conclusive.

(2) DIVIDENDS

Division of
Profits

101. The net profits of the Company (after making provision if any, for sinking, depreciation and reserve funds and for carrying forward balances for the next year) shall subject to the rights of holders of preference shares and to any resolution of the Company attaching any special privileges to other shares and to the provisions of these Articles, be divisible among the ordinary shareholders subject as provided in Article 19 in proportion to the amounts paid up on the ordinary shares held by them respectively

Capital paid in
advance of calls

102. When 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 participate in profits.

Declaration and
payment of
dividends

103. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may fix the time for payment subject to the provisions of Section 207 of the Act.

Restrictions on
amount of
dividends

104. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.

Dividend out of
profits only and
not to carry
interest

105. No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits, and no dividend shall carry interest as against the Company.

What to be
deemed net
profits

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

Interim dividends

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

Debts may be
deducted

108. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Company may
retain dividends

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

Dividend and call
together

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

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| <p>111. Any General Meeting may upon the recommendation of the Directors resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve fund or special account or in the hands of the Company and available for dividend and including any profits arising from the sale of the assets of the Company or any part thereof or by reason of any other accretion to capital assets or representing premium received on the issue of shares and standing to the credit of the share premium account, be capitalised and distributed (in the manner and to the extent permissible under the provisions of the Act) amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide any unissued shares, debentures or debenture-stock (in the manner and to the extent aforesaid) of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, or debentures or debenture-stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.</p> | <p>Capitalisation of Reserves</p> |
| <p>112. For the purposes of giving effect to any resolution under the preceding Articles, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificates or ignore fractions or may vest the same in trust for the persons entitled as may seem expedient to the Directors. Where requisite a proper contract shall be filled in accordance with the provisions of the Act and the Directors may appoint any person to sign such contract on behalf of the person entitled to the dividend or capitalised fund, and such a appointment shall be effective.</p> | <p>Fractional certificates</p> |
| <p>113. Any one of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.</p> | <p>Any one of Joint-holders can give receipts</p> |
| <p>114. Unless otherwise directed, any dividend may be paid by cheque, warrant or postal money order sent through the post to the registered address of the member or person entitled thereto, or in case of joint-holders to the registered address of that one whose name stands first on the Register in respect of the joint-holding or to such person and such address as the member or person entitled or such joint-holders, as the case may be, may direct.</p> | <p>Payment post</p> |
| <p>115. The payment of every cheque or warrant sent under the provisions of the last preceding Articles shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof : Provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.</p> | <p>When payment a good discharge</p> |

VIII. MISCELLANEOUS

(1) RECONSTRUCTION

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| <p>116. On any sale of the undertaking of the Company, the Directors or the Liquidators on a winding up may, if authorised by a Special Resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether</p> | <p>Reconstruction</p> |
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incorporated in India or not, either then existing or to be formed for the purchase in whole or in part of the property of the Company, The Liquidators (in a winding up), may distribute such shares, or securities, or any other property of the Company amongst the contributors without realisation or vest the same in trustees for them and may if authorised by Special Resolution provide for the distribution or appropriation of the cash, shares or other securities, benefits or property otherwise than in accordance with the strict legal rights of the contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve, and the contributories shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, save such statutory rights (if any) under the Act as are incapable of being varied or excluded by these presents.

(2) WINDING-UP

Distribution of
Assets

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

Distribution of
assets in specie

118. If the Company shall be wound up, whether voluntarily or otherwise, the Liquidators may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide among the contributories in specie or 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.

(3) INDEMNITY

Indemnity

119. Subject to the provisions of Section 201 of the Act, the Managing Agents every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of the Company all costs, losses and expenses (including travelling expenses) which any such Managing Agents, Directors, Manager or Secretary or other officer or employee may incur or become liable to by reason of any

contract entered into or any way in the discharge of his or their duties and particular, and so as not to limit the generally of the foregoing provisions, against all liabilities incurred by him or by them as such Managing Agents, Director, Manager, Secretary, Officer or employees in defending any proceeding whether civil or criminal, in which judgement is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such idemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

120. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency or title to any property required by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgement, omission, default or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

Individual
responsibility of
Directors

(4) SECRECY

121. Subject to the provisions of these Articles and the Act, no member or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company wityhout the permission of the Directors, or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Company to communicate.

No member to
enter the
premises of the
Company without
permission

Name, Address, and Description of the Subscribers	Number of Shares taken By each Subscriber	Name, Address and Descriptions of Witnesses
1. Ghanshyam Das Birla Merchant 137, Canning Street, Calcutta.	One	Witness to all the signatures- Sourindra Mohan Aikat Clerk to Messrs. Birla Bros. Ltd. 137, Canning Street, Calcutta.
2. Narsingh Das Kothary Merchant 2, Royal Exchange Place, Calcutta	One	
3. Ghanshyam Das Loyalka, Merchant 2, Royal Exchange Place, Calcutta	One	
4. Ganga Bux Kanoriya Merchant 137, Canning Street, Calcutta	One	
5. Bhagirath Mall Kanoriya Merchant 137, Canning Street, Calcutta	One	
6. Debi Prosad Khaitan Solicitor 137, Canning Street, Calcutta	One	
7. Sunder Lall Bapushah Dalal Assistant to Messrs. Birla Bros. Ltd. 137, Canning Street, Calcutta	One	
Total	Seven	

Dated, this 25th day of August, 1919.

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| <p>111. Any General Meeting may upon the recommendation of the Directors resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve fund or special account or in the hands of the Company and available for dividend and including any profits arising from the sale of the assets of the Company or any part thereof or by reason of any other accretion to capital assets or representing premium received on the issue of shares and standing to the credit of the share premium account, be capitalised and distributed (in the manner and to the extent permissible under the provisions of the Act) amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide any unissued shares, debentures or debenture-stock (in the manner and to the extent aforesaid) of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, or debentures or debenture-stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.</p> | <p>Capitalisation of Reserves</p> |
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| <p>115. The payment of every cheque or warrant sent under the provisions of the last preceding Articles shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof : Provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.</p> | <p>When payment a good discharge</p> |

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incorporated in India or not, either then existing or to be formed for the purchase in whole or in part of the property of the Company, The Liquidators (in a winding up), may distribute such shares, or securities, or any other property of the Company amongst the contributors without realisation or vest the same in trustees for them and may if authorised by Special Resolution provide for the distribution or appropriation of the cash, shares or other securities, benefits or property otherwise than in accordance with the strict legal rights of the contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve, and the contributories shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, save such statutory rights (if any) under the Act as are incapable of being varied or excluded by these presents.

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contract entered into or any way in the discharge of his or their duties and particular, and so as not to limit the generally of the foregoing provisions, against all liabilities incurred by him or by them as such Managing Agents, Director, Manager, Secretary, Officer or employees in defending any proceeding whether civil or criminal, in which judgement is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such idemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

120. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency or title to any property required by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgement, omission, default or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

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Total	Seven	

Dated, this 25th day of August, 1919.