

CERTIFIED TRUE COPY  
FOR BALKRISHNA INDUSTRIES LIMITED

*VRShah*  
VIPUL SHAH  
DIRECTOR & COMPANY SECRETARY

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**MEMORANDUM OF ASSOCIATION  
AND  
ARTICLES OF ASSOCIATION  
OF  
BALKRISHNA INDUSTRIES LIMITED**

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CERTIFIED TRUE COPY  
FOR BALKRISHNA INDUSTRIES LIMITED

VIPUL SHAH  
DIRECTOR & COMPANY SECRETARY

No. 12185

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME

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

In the matter of \* BALKRISHNA PAPER MILLS LIMITED

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

to BALKRISHNA INDUSTRIES LIMITED

and I hereby certify that BALKRISHNA PAPER MILLS  
LIMITED

Which was originally incorporated on TWENTIETH                      day of  
NOVEMBER                      1961 under the \*\* COMPANIES Act 1956  
and under the name BALKRISHNA PAPER MILLS LIMITED.

having duly passed the necessary resolution in terms of  
section 21/22(1) (a) /22 (1) (b) of the Companies Act, 1956 the name  
of the said company is this day changed to BALKRISHNA  
INDUSTRIES LIMITED

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

GIVEN UNDER MY HAND AT BOMBAY THIS TWENTYNINTH DAY  
OCTOBER OF 1987 (One Thousand Nine Hundred EIGHTYSEVEN).

*Seal of  
The Registrar  
of Companies  
Maharashtra*

(V. S. GALGALI)  
REGISTRAR OF COMPANIES  
MAHARASHTRA, BOMBAY

Note: 1. \* Here give the name of  
the Company as existing  
prior to change.

2. \*\* Here give the name of the Act(s) under which the company was origi-  
nally registered and incorporated.



NO. 12185/TA

**CERTIFICATE OF CHANGE OF NAME**

In the OFFICE of the REGISTRAR OF COMPANIES UNDER  
THE COMPANIES ACT, 1956

**"PAPCHEMI CORPORATION LIMITED"**

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and under order of the Central Government, Conveyed by the Department of Company Law Administration by their No. RD : D : 3 (21) 1/71.

dated the 30-4-1971.

to the address of M/s. Papchemi Corporation Limited,  
Nagardas Road, Andheri (East),  
Bombay-400 069.

the name of "PAPCHEMI CORPORATION LIMITED"

has this day been  
changed to "BALKRISHNA PAPER MILLS LIMITED"

And that the said Company has been duly incorporated  
as a Company under the provision of the said Act.

Dated this SEVENTEENTH day of MAY One  
thousand nine hundred and SEVENTY ONE.

( N. M. SHAH )  
Asstt. Registrar of Companies  
Maharashtra, Bombay

FOR BALKRISHNA INDUSTRIES LIMITED

VIPUL SHAH  
DIRECTOR & COMPANY SECRETARY

Form I. R.  
CERTIFICATE OF INCORPORATION

No. 12185 of 19 61-62.

I hereby certify that "PAPCHEMI CORPORATION

LIMITED."

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

Given under my hand at BOMBAY.

this TWENTIETH day of NOVEMBER

One thousand nine hundred and SIXTY ONE.

(29th Kartika, 1883)

Seal of  
The Registrar  
of Companies  
Maharashtra

(S. K. Dutt.)  
Registrar of Companies  
Maharashtra.



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**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**BALKRISHNA INDUSTRIES LIMITED**

- I. The name of the Company is "BALKRISHNA INDUSTRIES LIMITED."
- II. The Registered Office of the Company is situated in the State of Maharashtra.
- III. The Objects, for which the Company is established, are:-
  - (1) To carry on the business of manufacturing, buying, selling, exchanging, converting, altering, importing, exporting, processing, twisting, or otherwise handling or dealing in, papers and boards of all kinds including straws board, grey board, mill board, card board, box board, duplex board, triplex board and writing, printing, wall and ceiling papers and articles made from paper or pulp and materials used in the manufacture or treatment of papers and boards.
  - (2) To carry on the business of stationers, lithographers, printers, publishers, manufacturers of, and dealers in, paper and board boxes of all types, cartons and all such other things as can conveniently be manufactured or dealt in.
  - (3) To convert, treat or turn to account by any process or method of manufacture, chemical, synthetic or otherwise, or in any other manner, timber, wood, cotton linters, droppings, fly, cotton waste, cotton seeds, bamboo, grass, stray, jute, jute sticks, seisal fibre, flex, hemp, hessian, gunnies, sugarcane, bagasse, leather, asbestos, rags, waste paper, water hyacinth or any kind of pulp or other substances prepared from other vegetables these or from minerals, chemicals, or any other substances, and to prepare manufacture, cut, spin, weave or knit, fibres, fibrous or fibrous materials pulp, paper, boards, filament, yarn, cords, cloth, whether grey, bleached, unbleached, dyed, printed, knitted, looped, creaped, clincked or felt, and such other fabrics, and things as may be practicable or deemed expedient.
  - (4) To grow, cultivate, produce, raise, manufacture, purchase, sell, import, export or otherwise handle or deal in pulp, timber, wood, cotton, linters, dropping, fly, cotton waste, cotton seeds, bamboo, grass, jute, jute sticks, seisal fibre, flax, hemp, hessian, gunnies, sugarcane, bagasse, leather, asbestos, rags, waste paper, water hyacinth, vitriol, dyes, colours, or any other vegetable, mineral, chemical or other substances and things or whatever nature and kind, necessary or useful for the business of the company.
  - (5) To gin, card, comb, scour, mix, cut, spin, process, twist throw reel, weave, knit, print, bleach, dye or finish, rayon, staple fibre, staple fibre yarn, raw silk, silk yarns, waste silks, cotton, flakes, jute, hemp, wool, hessiann, linen or



other textiles and textile fibres and carry on any other operation of whatever kind and nature in relation thereto.

- (6) To own, work, erect, instal, maintain, equip, repair, alter, add to or otherwise handle, manufacture, fabricate or deal in pulp and paper plants, filatures, spinning mills, weaving mills or any other factories for pressing, ginning, carding, combing, scouring, mixing, processing, twisting, throwing, bleaching, printing, dyeing or finishing, rayon, staple fibre, staple fibre yarn, raw silk, silk yarn, waste silks, cotton, flax, jute, hemp, wool, hessian, linen or any other textiles of any description and kind.
- (7) To carry on the business of manufacturers of, and dealers in, chemicals of any nature and kind whatsoever and as wholesale or retail chemists, druggists, analytical or pharmaceutical chemists drysalts, oils and colour men, importers, exporters and manufacturers of and dealers in heavy chemicals, alkalis, acids, drugs, tanins, essences, pharmaceuticals, sizing, medicinal, chemical, industrial and other preparations and articles, of any nature and kind whatsoever, mineral and other waters, soaps, cements, oils, fats, paints, varnishes, compounds, drugs, dyestuffs-organic or mineral-intermediates, paints and colour grinders, makers of and dealers in proprietary articles of all kinds and of electrical, chemical, photographic, surgical and scientific apparatus and materials, and to manufacture, refine, manipulate, import and deal in salts and marine minerals and their derivatives, by-products and compounds of any nature and kind whatsoever.
- (8) To carry on the business of manufacturers of, and dealers in, all kinds and classes of pulp, including sulphite and sulphate wood pulp, mechanical pulp and soda pulp and papers, including transparent, vellum, writing printing, glazed, absorbent, newsprinting, wrapping, tissue, cover, blotting, filter, bank or bond, badami, brown buff or coloured, cloth-lined, azure-laid, cream-laid, grease or water proof, hand-made, parchment, drawing, kraft, carbon, envelop and box; and straw, duplex and triplex boards and all kinds of articles in the manufacture of which in any form pulp, paper or board is used, and also to deal in or manufacture artificial leather of all varieties, grades and colours and any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.
- (9) To carry on the businesses of iron, brass and other masters and founders; iron and steel makers and converters; mechanical, electrical, civil and hydraulic engineers, manufacturers of agricultural implements and other machinery, ferro-manganese, coal, coke and tool-makers; metal-workers mill-wrights, machinists, wire-drawers; manufacturers; moulders, fitters, galvanisers, electroplaters, enamellers, miners, smiths, wood-workers, builders, metallurgists, gas-makers, printers, carriers and merchants and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in machinery and implements, metals, rolling-stock and hardware of all kinds.
- (10) To Purchase, take on lease or in exchange, or otherwise acquire, erect, maintain, equip, construct, reconstruct, repair, renovate, or adopt movable or immovable property including buildings, residential bungalows, quarters, offices, chawls,



warehouses, godowns, structures, erections, workshops, mills, factories, foundries or places for manufacturing plants, machinery, accessories, implements, appliances, apparatus, and other things found necessary or convenient for the purposes of the Company and also to extend the business of the company by purchasing, acquiring, getting transferred adding to altering, enlarging, all or any of the buildings, mills, factories, premises, places being the property of the Company or on all or any of the lands expending from time to time such sum or sums or money as may be for the time being the property or in the possession of the Company and necessary or expedient for improving, adding to, altering, repairing and maintaining the building, structures, machinery, plant and property for the time being of the Company and to sell or mortgage or let out on hire all or any portion of the same as may be thought desirable.

- (11) To purchase any machinery, plant, raw materials, chemical and stores and other articles for the use of the Company, and to remove all or any of the machinery, plant and raw materials, chemicals and stores of a company, for the time being, in or upon any lands, buildings or premises of the Company to other lands, buildings or premises wherever situated.
- (12) To carry on the business of mill and other kinds of stores suppliers and keepers, both wholesale and retail; to transact all and every kind of agency business; and to carry on the business of store-keepers in all its branches and in particular to buy, sell, manufacture and deal in goods, stores, consumable articles, chattels and effects of all kinds, both wholesale and retail; and to transact every kind of agency business and generally to engage in any business or transaction which may seem to the Directors directly or indirectly conducive to the interest of the Company.
- (13) To erect, construct, enlarge, acquire, work, use, barter, repair, manufacture, buy, sell, exchange, alter, improve, manipulate, refine, prepare for market import, export, or otherwise handle or deal in plant, machinery, accessories, implements, apparatus, tools, appliances, utensils substances, materials and things and commodities, wholesale or retail, necessary or convenient, or capable of being used, in any of the above specified business or processes or undertakings or usually dealt in by persons engaged in the like.
- (14) To carry on the business of steam and general laundry and to wash, purify, scour, bleach, wring, dry, iron, colour, dye; disinfect; renovate and prepare for use all articles or wearing apparel, house-hold, domestic and other linen and silk, rayon, cotton, woollen, goods, clothing and fabrics of all kinds, and to buy, sell, hire, manufacture, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials and articles of all kinds which are capable of being used for any such purposes.
- (15) To Carry on the business of an Electric Power, Light and supply Company in all its branches and in particular to construct, lay down, establish, fix and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and works, and to generate, accumulate, distribute and supply electricity and to operate factories and light cities, towns, streets, docks, markets,



theatres, buildings and places, both public and private.

- (16) To carry on the business of electricians, electrical, mechanical manufacturing and consulting Engineers, manufacturers and suppliers of electricity for the purposes of light, heat, motive power or otherwise, and manufacturer or dealers in machinery, apparatus, instruments and things required for or capable of being used in connection with the generation, distribution, supply, accumulation, employment and use of electricity, galvanism, magnetism or otherwise.
- (17) To manufacture, acquire, produce, use, sell and supply gas and electricity for lighting, heating or power purposes and to deal in, manufacture and render saleable all residual products obtained in the manufacture of gas.
- (18) To carry on the business of a water-works company in all its branches and to sink wells and shafts, and to make, build, construct, lay down and maintain dams, reservoirs, water-works, cisterns, culverts, filter-beds, mains and other pipes and appliances, and to execute and do all other acts and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing in water.
- (19) To carry on the business of tramway, railway, carriage, omnibus, van, aeroplanes, boat proprietors, rolling stock and wagons manufacturer, mechanical engineers, shipowners, ship-builders, carriers by land, water, or air, warehousemen, wharfingers, forwarding agent, clearing agents and stevedores.
- (20) To construct, maintain, lay down, carry out, work, sell, let on hire and deal in telephonic and all kinds of works, machinery, apparatus, conveniences and things capable of being used in connection with any of these objects and particularly any cables, wires, lines, stations, exchanges, reservoirs, accumulators, lamps, meters and engines.
- (21) To carry on the business of a telephone and telegraph company and in particular to establish, work, manage, control and regulate telephone exchanges and works, and to transmit and facilitate the transmission of telephone and telegraph communications and messages.
- (22) To carry on all or any of the business of the manufacturers of and dealers and workers in cement, lime, plasters, mortar, concrete, whittings, casks, sacks, minerals, clay, earth, gravel, sand, coke, fuel, artificial stone, bricks and builder's requisites of all kinds.
- (23) To carry on the trades or business of manufacturers of and dealers in explosives, ammunition, fireworks and other explosive products and accessories of all kinds and of whatsoever composition and whether for military, sporting, mining or industrial purposes or for pyrotechnical display or for any other purpose.
- (24) To carry on the business of water-proofers and manufacturer of India rubber, rubber tyres, leather, imitation leather, leather cloth, plastics, oil cloth, linoleum, tarpaulins, hospital sheeting and surgical bandages.
- (a) To manufacture and deal in rubber tyres, tubes, flaps, other rubber products and materials which are being used or capable of being used in tyres, tubes and flaps.



- (b) To manufacture, process, mix, vulcanize, regenerate, import, export and deal in reclaim rubber, rubber compounds, rubber repairs materials, rubber combinations with any metallic or non metallic substances, rubber chemicals, synthetics resins, foam and sponge rubber and products therefrom.
- (c) To carry on the business of leasing, financing and hire purchase of all types of plant, equipment, machinery, vehicles, buildings, appliances, moveable and immovable properties.
- (d) To carry on business of computer and consultancy services of all types.

(Clause 24 was altered by inserting new clauses 24 [a] to 24 [d]: The Company Law Board, Western Region Bench approved the alteration vide their order dated 27th day of April, 1987.)

- (25) To carry on the business of lithographers, type founders, printers, publishers, advertiser, stationers and managers of newspapers, magazines, books, publications and other library or artistic works and undertakings.
- (26) To enter into any contract, agreement, arrangement or other dealing for the more efficient conduct of the traffic or business of the Company or any part thereof.
- (27) To acquire the right to use or manufacture, and to put up, telegraphs, telephones, phonographs, dynamos, accumulators and all apparatus now known or which may hereafter be invented in connection with the generation, accumulation, distribution, supply and employment of electricity, or any power that can be used as a substitute therefore, including all cables, wires or appliances for connecting apparatus at a distance with other apparatus.
- (28) To purchase, acquire, be interested in, take on lease or in exchange or otherwise construct, make, maintain, carry out, improve, extend, promote, work, alter, control, equip, let, underlet; hire, hold, sell, barter, operate or manage any lands, buildings, leases, roads, tunnels, automobiles, omnibuses, vans, vehicles, tramways, railroads, sidings, railways, engines, bogies, wagons, rolling stock, barges, launches, motor boats, steam boats, ships, airways, aeroplanes, accommodation for and in relation to aerial conveyances, water works, water rights, water courses, canals, irrigation works, ferries, piers, wharves, reservoirs, gas works, electric works, furnaces, foundries, stamping works, smelting works, factories, machinery of all kinds and sorts and other works and conveniences which the Company may think conducive to any of its objects and to contribute to, and take part in, constructing, maintaining, carrying on, improving, working, controlling and managing of any such works or conveniences, and to authorize any local authority, company, or persons to use and to work the same or any part thereof.
- (29) To make advance for the purchase of raw materials, goods, machinery, stores and other articles required for the purposes of the Company or deemed expedient with or without security of whatever nature and kind.
- (30) To establish agencies or branches in India or elsewhere for



sales, purchases and distribution or for any purpose or business of the Company, regulate their working and also discontinue the same and to undertake the management of any company or companies having objects altogether or in part similar to those of this Company and to take all necessary steps for registering the Company in any country as may be thought fit.

- (31) To transact and carry on all kinds of agency business and to act as Managing Agents or Secretaries and Treasurers of any company or as Buying and Selling Agents of any Company and to undertake and to become bound by conditions of any agreement or agreements entered into for any of the purposes aforesaid.
- (32) To acquire or take over, with or without consideration, and carry on the business of managers, secretaries and treasurers, and agents or managing agents by themselves or in partnership with other companies or persons.
- (33) To establish, provide, maintain, endow, subscribe to and conduct or otherwise subsidise and help research laboratories and experimental workshops for scientific and technical research, and experiments, and to undertake and carry on with all scientific and technical researches, experiments, and tests of all kinds, and to promote studies and research, both scientific and technical, investigation and invention by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing the remunerations of scientific or technical professors or teachers and by providing for the award of exhibition, scholarship prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorized to carry on.
- (34) To construct, carry out, maintain, improve, manage, work, control and superintend any hats, markets, reservoirs, water-works, tanks, bridges and works in connection therewith, hydraulic works, electrical works, factories, coolie lines and houses, and 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, subsidise or otherwise take part in any such operations.
- (35) To be interested in, promote or undertake the formation and establishment or such institutions, business or companies, whether industrial, agricultural, trading, manufacturing or otherwise, as may be considered to be conducive to the profit and interest of the Company, and to carry on any other business, whether industrial, agricultural, trading, manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with any of these or otherwise calculated directly or indirectly, to render any of the Company's properties or rights for the time being profitable, and also to acquire, promote, aid, foster, subsidise or acquire interests in any industry or undertaking.
- (36) To enter into partnership or into any arrangement for sharing or pooling profits, amalgamation, union of interests, co-



- operation joint adventure, reciprocal concessions 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 which this Company is authorized to carry on or engage in, or in any business, undertaking or transaction which may seem capable of being carried or conducted so as directly or indirectly to benefit this Company.
- (37) To acquire and undertake the whole or any part of the business, property and liabilities of any person, firm or company carrying on any business, which the Company is authorized to carry on, or possessed of property suitable for the purposes of this Company.
- (38) To take or otherwise acquire and hold shares in any other Company.
- (39) 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.
- (40) To amalgamate with any company or companies whether having objects altogether or in part similar to those of this Company or not.
- (41) To pay for any properties, rights or privileges acquired by the Company, either in shares of the Company or partly in shares and partly in cash, or otherwise.
- (42) To search for and to purchase or otherwise acquire from any Government, State, Authority, Individual, firm or corporation any licences, concessions, grants, decrees, rights, powers and privileges whatsoever which may seem to the Company capable of being turned to account and in particular any water-rights or concessions either for the purposes of obtaining motive power or otherwise, and to work develop carry out, exercise and turn to account the same.
- (43) To obtain any order or Act of legislature or Parliament for enabling the Company to obtain any powers and authorities necessary or expedient to carry out or extend any of the objects of the Company or for any other purpose which may seem expedient and to oppose any proceedings on applications which seem calculated, directly or indirectly, to prejudice the Company's interest.
- (44) To purchase, or by any other means acquire, and protect, prolong and renew, whether in India or elsewhere any patents, patent rights, brevets d'invention, licences, protections and concessions which may appear likely to be advantageous or useful to the Company, and to use turn to account and manufacture and to obtain any licences in respect of the same and to grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire, or be interested in as licences or otherwise.
- (45) To enter into any arrangement with the Government of India or any local or State Government or with any Government whatsoever or with any authorities, Municipal, local or



otherwise, or with any Zamindars, Landholders or other persons that may seem conducive to the Company's objects or any of them, and to obtain from such Government State or Authority, Zamindars, Landholders or other persons any rights, powers, privileges, licences, grants and concessions which the Company may think fit desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.

- (46) To acquire by concession, grant, purchase, amalgamation, barter, lease, licence or otherwise, either absolutely or conditionally and either solely or jointly with others, any tract or tracts of country, lands, houses, estates, farms, forests, plantations, quarries, mines, mineral rights, water rights, way leaves and other works, easements, rights and privileges and hereditaments and any machinery, plants, utensils, trade marks and other movable or immovable property of any description whatsoever at any place or places in India or any foreign country and together with such rights as may be agreed upon, and to expend such sums of money as may be deemed requisite and advisable in the exploration, prospecting, working, surveying, cultivation and development thereof.
- (47) To adopt such means of making known any production of the Company as may seem expedient and in particular by advertising in the press, by circulars by purchase and exhibition of works of Art or interest, by publication of books and magazines or periodicals and by granting prizes, rewards and donations.
- (48) To aid pecuniarily or otherwise any Association, body or movement having for an object the solution or settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (49) To make, draw, accept, endorse, execute, discount or negotiate and issue cheques, promissory notes, hundies, bills of exchange, bills of lading, railway receipts, debentures and other negotiable or transferable instruments.
- (50) To borrow or raise money or to receive money on deposits at interest, or otherwise in such manner as the Company may think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, including debentures or debenture stock convertible into shares of this Company, or perpetual annuities, and in security of any such money so borrowed, raised or received to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient; and to purchase, redeem or pay off any such securities.
- (51) To guarantee the payment of money, unsecured or secured, by or payable under or in respect of promissory notes, bonds, debentures, debenture stock, contracts, mortgages, charges, obligations, instruments, and securities of any Company or any authority, supreme, municipal, local or otherwise, or of any person whomsoever, whether incorporated or not incorporated, and generally to guarantee or become sureties for the performances of any contracts or



obligations.

- (52) To receive on deposit at interest or otherwise for the purposes of the business of the company, and to lend money or property, on mortgage of immovable property or on hypothecation or pledge of movable property or without security, to such person and on such terms as may seem expedient and in particular to customers of and persons having dealings with the Company. The Company shall not, however, carry on the business of a Bank.
- (53) To accumulate funds and to lend, invest, or otherwise employ moneys belonging or entrusted to the Company upon or in any shares, securities or investments upon such terms as may be thought proper and from time to time to vary such investments in such manner as the Company may think fit.
- (54) To invest and deal with the moneys of the Company in any investments, moveable or immovable, in such manner as may from time to time seem expedient and be determined.
- (55) To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any special or other fund whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for redemption of debentures or redeemable preference shares or for any other purpose whatsoever conducive to the interest of the Company.
- (56) To distribute any of the properties of the Company among the members in specie or kind but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, for the time being required by law.
- (57) To place to reserve or to distribute as dividend or bonus among the members or otherwise to apply as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the Company, and any moneys received in respect of dividends accrued on forfeited shares and money arising from the sale by the Company of forfeited shares or from unclaimed dividends.
- (58) To undertake and execute any trust, the undertaking whereof may seem desirable and either gratuitously or otherwise.
- (59) To provide for the welfare of employees or ex-employees, Directors or ex-Directors of the Company and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses, dwelling or chawls or by grants of moneys, pensions, allowances, bonus or other payments or by creating and from time to time to subscribing or contributing to provident fund and other associations, institutions, funds or trust and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit, and to subscribe to or otherwise assist charitable, benevolent, religious, scientific, national, political or other institutions or objects which shall have moral or other claim to support or aid by the Company either by reason or locality of operation or of public and general utility or otherwise.



- (60) To dedicate, present or otherwise dispose of either voluntarily or for value any property of the Company deemed to be of national, public or local interest to any national trust, public body, museum, corporation, or authority.
- (61) To appropriate, use or lay out land belonging to the Company for streets, parks, pleasure grounds, allotments and other conveniences and to present any such land so laid out to the public or to any persons or Company conditionally or unconditionally as the Company thinks fit.
- (62) To pay all the costs, charges, and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital including any underwriting or other commission-brokers' fees and charges in connection therewith, and remunerate or make donations to (by cash or other assets or by the allotment of fully or partly paid shares or by a call or option on shares, debentures, debenture stock or securities of this or any other company, or in any other manner, whether out of the Company's capital or profits or otherwise) any person, firm or company for services rendered or to be rendered in introducing any property or business to the Company or in placing or assisting to place or guaranteeing the subscription or shares, debentures, debenture stock or other securities of the Company, or in, or about the formation or promotion of the Company or for any other reason which the Company may think proper.
- (63) To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them and as principal, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others, and so that the word "Company" in this Memorandum when applied otherwise than to this Company shall be deemed to include any authority, partnership or other body, persons whether incorporated or not incorporated and the intention is that the objects set forth in each of the several paragraph of this Clause shall have the widest possible construction and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph of this Clause or the name of the Company.

IV. The liability of the members is limited.

V. "The Authorised Share Capital of the Company is Rs. 91,00,00,000 (Rupees Ninety One Crores only) divided into 44,50,00,000 Equity Shares of Rs. 2 each and 20,00,00,000 Redeemable Preference Shares of Rs 10 each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

(Altered Pursuant to Scheme of Amalgamation of BKT Exim Limited ("the Transferor Company") with Balkrishna Industries Limited ("the Transferee Company") and their respective shareholders ("the Scheme") which is approved by the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') vide its order dated 24<sup>th</sup> January, 2018).





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

Dated this 12th day of November, 1961.

Names of Subscribers	Address, Description and occupation of Subscribers	Number of Shares taken by each Subscriber	Witness
Jayantilal R. Mehta, Son of Ranchhoddas V. Mehta	75, Bhulabhai Desai Road, Bombay-26. Industrialist.	50 Equity Shares	
Hansraj Laxmidas, Son of Laxmidas Chandaramji	54, Dadyseth Agiari Lane, Bombay-2. Business	50 Equity Shares	
Devji Rattansey, Son of Rattansey Hirji	5, Naoroji Gamadia Road, Bombay-26. Banker	50 Equity Shares	(Sd.) J. N. Vyas Solicitor High Court, at Bombay
Shantilal H. Shah, Son of Hiralal A. Shah	69, Netaji Subhash Road, Bombay-1. Industrialist.	50 Equity Shares	(Son of Narmadashanker Prabhashanker Vyas)
Gordhandas Bhagwandas, Son of Bhagwandas Chatrabhuj	250, Walkeshwar Road, Bombay-6. Business.	50 Equity Shares	110, Dr. Atmaram Merchant Road, Bombay - 2.
Laxmikant S. Dabholkar Son of Shantaram N. Dabholkar	22, Horniman Circle, Bombay-1. Industrialist.	50 Equity Shares	
Kirpashankar M. Bhatt Son of Motiram V. Bhatt	177, Dr. D. N. Road Fort, Bombay-1. Business.	50 Equity Shares	
Dahyalal Himatram Thaker Son of Himatram Thaker	F-33, Tarabaug Estate, New Charni Road, Bombay-4. Service.	50 Equity Shares	



**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**BALKRISHNA INDUSTRIES LIMITED**

**TABLE A EXCLUDED**

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

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| 2. | In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context :-   | Interpretation Clause                   |
|    | "The Act" or "the said Act" means "The Companies Act, 1956," as amended up to date or other the Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to Companies.   | "The Act" or "the said Act"             |
|    | "The Board" or the "Board of Directors" means a meeting of the Directors duly called and constituted or, as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles. | "The Board" or "the Board of Directors" |
|    | The "Company" or "this Company" means <b>Balkrishna Industries Limited</b> .  | "The Company" or "this Company"         |
|    | "Directors" means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a Board.   | "The Directors"                         |
|    | "Dividend" includes bonus.  | "Dividend"                              |
|    | Words importing the masculine gender also include the feminine gender.  | "Gender"                                |
|    | "Members" means the subscribers to the Memorandum of Association of the Company and the duly registered holders, for the the time being, of the shares of Company.  | "Members"                               |
|    | "Month" means a calendar month.   | "Month"                                 |
|    | "Years" means a calendar year.  | "Year"                                  |
|    | "Office" means the Registered Office for the time being of the Company.   | "Office"                                |



"Paid-up"	"Paid-up" includes credited as paid-up.
"Person"	"Person" includes corporations as well as individual.
"Plural number"	Words importing the plural number also include the singular number and vice versa.
"These Presents" or Regulations."	"These Persents" or Regulations means these Articles of Association, as originally framed or altered from time to time and includes the Memorandum where the context so requires.
"Seal"	"Seal" means the Common Seal for the time being of the Company.
"Writing"	"Writing" shall include printing, lithography, photography and any other mode or modes of representing or reproducing words in a visible form.
Expressions in the Act to bear the same meaning in the Articles.	Subject as aforesaid, any words or expression defined in the Act shall, except where the subject or context forbid, bear the same meaning in these Articles.
"Marginal notes"	The Marginal notes hereto shall not affect the construction hereof.
"Beneficial Owner"	2 A. "Beneficial Owner" shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996;
"Bye-Laws"	"Bye-laws" means bye-laws made by a depository under Section 26 of the Depositories Act, 1996.
"Depository Act"	"Depositories Act" means the Depository Act, 1996 and includes any statutory modification or re-enactment thereof for the time being in force;
"Depository"	"Depository" means a Company formed and registered under the Companies Act, 1956 and which has been granted a Certificate of registration to act as a Depositories by SEBI;
"Member"	"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company and a Beneficial Owner;
"Record"	"Record" includes the records maintained in the form of books or stored in a computer or such other form as may be determined by regulations by Regulators;
"SEBI"	"SEBI" means Securities and Exchange Board of India;
"Security"	"Security" means shares, debentures and such security as may be specified by the SEBI from time to time.

(Clause 2 was altered by inserting new clause 2A by the company at its 38th Annual General Meeting held on 17th August, 2000.)

Copies of Memorandum and Articles of Association to be given to members.	3. Copies of the Memorandum of Association of the Company and of these presents and other documents mentioned in Section 39 of the Act shall be furnished by the Company to any member at his request within 7 days thereof on payment of a sum of Rs.1 per each copy.
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#### CAPITAL SHARES

Share Capital	4. "The Authorised Share Capital of the Company is Rs. 91,00,00,000 (Rupees Ninety One Crores only) divided into 44,50,00,000 Equity Shares of Rs.2 each and 20,00,00,000 Redeemable Preference Shares of Rs 10 each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes
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and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

(Altered Pursuant to Scheme of Amalgamation of BKT Exim Limited ('the Transferor Company') with Balkrishna Industries Limited ('the Transferee Company') and their respective shareholders ("the Scheme") which is approved by the Hon'ble National Company Law Tribunal Mumbai Bench ('NCLT') vide its order dated 24<sup>th</sup> January, 2018).



- 5.(a) Subject to the provisions of Section 80 of the Companies Act, 1956, the Company shall have power to issue preference shares which are or at option of the Company are liable to be redeemed.
- (b) The Preference Shares shall confer on the holders thereof a right to a fixed cumulative preferential dividend at the rate of 11% per annum without deduction therefrom on account of income-tax payable by the Company but subject to deduction of income-tax at source at the prescribed rate on the Capital for the time being paid thereon. The preference shares shall also confer on the holders thereof, the right in winding up to repayment of the Capital paid-up thereon and all the arrears of dividend upto the date of commencement of the winding up (whether declared or not) in priority to the equity shares but shall not confer any further right to participate in profits or assets.
- (c) The holders of the Preference Shares shall be entitled to only proportionate dividend in the year in which such shares are allotted and in the year they are redeemed.
- (d) The Redeemable Cumulative Preference Shares shall be redeemed at par either wholly or in part at the option of the Company at any time after a period of seven years from the date of issue but in any case not later than fifteen years on three months previous notice being given by the Company in that behalf to the holders thereof in accordance with the provisions of Section 80 of Companies Act, 1956.
- (e) The Preference Shares to be redeemed on each occasion (in case they are not redeemed at one time) shall be determined by a drawing to be made at such time and place and in such manner as the Directors may determine but in the presence of atleast one of the Directors.
- (f) After such drawing the Company shall give to the holders of the shares drawn for redemption, notice in writing of the Company's intention to redeem the same and fixing a time (being not less than three months) and place for redemption and surrender of the shares to be redeemed.
- (g) At the time and place so fixed, such holder shall be bound to surrender to the Company, the Certificate or Certificates for his shares to be redeemed and the Company shall pay him the amount payable in respect of such redemption. The shares so draw will cease to be entitled to dividend on and from the date of redemption.
- (h) The holders of Preference Shares shall have right to vote at General Meetings of the Company in the manner and to the extent specified in Section 87 (2) of the Companies Act, 1956.
- (i) The Company shall be at liberty to create and issue further Preference Shares ranking in all respects pari passu with the Preference Shares if already issued.



- Shares under the control of the Directors** 6. Subject to the provisions of the Act and these Articles 62 and the other Articles, the shares in the Capital of the Company for the time being (including any shares forming part by any increased capital of the Company) shall be under the control of the Directors, who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may, from time to time, think fit and proper, and with full power with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at a premium or subject as aforesaid at a discount such option being exercisable at such time and for such consideration as the Directors think fit.
- Power of General Meeting to offer shares to such person as the Company may resolve.** 7. In addition to and without derogating from the powers for that purpose conferred on the Directors and the Company, under Articles 5 and 6 the Company in General Meeting may, subject to the provision of Section 81 of the Act and Article 62 hereof, determine to issue further shares of the authorised but unissued capital of the Company and may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium or at par or, subject to compliance with the provisions of Section 79 of the Act, at a discount, as such General Meeting shall determine and with full power to give to any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting, or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.
- Directors may allot shares as fully paid up.** 8. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business, and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and, if so issued, shall be deemed to be fully paid up or partly paid up shares as aforesaid.
- Allotment of Securities dealt within a depository** (a) "Notwithstanding anything contained in the Act or the Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
- (Clause 8 was altered by inserting new clause 8(a) by the Company at its 38th Annual General Meeting held on 17th August, 2000.)
- Shares to be numbered progressively and no share to be sub-divided.** 9. The shares in the capital of the Company shall be numbered progressively according to their several denominations and, except in the manner hereinafter mentioned, no shares shall be sub-divided.



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| 10. | An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person, who thus or otherwise accepts any shares and whose name is on the Register, shall, for the purpose of these Articles, be a member.  | Acceptance of Shares  |
| 11. | The money (if any) which the Directors shall, on the allotment of any shares being made by them require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.  | Deposit and calls etc. to be a debt payable immediately   |
| 12. | If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.  | Instalments on shares to be duly paid.  |
| 13. | Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way, to recognise (ever when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles or as ordered by a Court of competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.  | Company no bound to recognise any interest in shares other than that of the registered holders. |
| (a) | Notwithstanding anything contained in the Articles, the Company shall be entitled to dematerialise its securities, rematerialise its securities, held in the depositories and/or to offer its fresh securities in the dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any.  | Dematerialisation of Securities   |
| (b) | Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information the depository shall enter in its record the name of the allottee as the beneficial owner of the security. | Option for Investors  |
| (c) | All securities held by a depository shall be dematerialised and shall be in fungible form. Nothing contained in Section 153, 153A, 153B, 187A, 187B, 187C and 372A of the Act shall apply to a depository in respect of securities held by it on behalf of the beneficial owners. No certificate shall be issued for the securities held by the depository.  | Securities in Depositories to be in Fungible form.  |
| (d) | Nothing contained in the Act or the Articles regarding the necessity of having distinctive number for securities issued by the Company shall apply to securities held with a depository.   | Distinctive Numbers of Securities held in a Depository  |



- (e) The Register and Index of beneficial owner maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

(Clause 13 was altered by inserting Clause 13(a) to (e) by the Company at its 38th Annual General Meeting held on 17th August, 2000.)

#### UNDERWRITING AND BROKERAGE

Commission for placing shares debentures etc.

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

#### CERTIFICATES

Certificate of shares

- 15.(a) The Certificates of title to shares shall be issued under the Seal of the Company which shall be affixed in the presence of and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered power of attorney; and (ii) the Secretary or some other person appointed by the Board for the purpose; Provided that at least one of the aforesaid two Directors shall be a person other than the Managing Director. A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography.

**PROVIDED ALWAYS** that notwithstanding anything contained in this Article the certificates of title to shares may be executed and issued in accordance with such other the provisions of the Act or the Rules made thereunder as may be in force for the time being and from time to time.

Member's right to certificates.

- (b) Every member shall be entitled without payment to one certificate for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee or fees or at the discretion of the Directors without payment of fees, as the Directors may from time to time determine) to several certificates each for one or more shares of each class. Every certificate of shares shall specify the number and denoting numbers for the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.

Limitation of time for issue of Certificates.

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



with requirement of Section 113 and other applicable provision (if any) of the Act.

17. If any certificate be worn out, defaced, torn or be otherwise mutilated or rendered useless from any cause whatsoever, or if there be no space left on the back thereof for endorsement of transfers, then upon production thereof to the Directors they 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 Directors and on such indemnity as the Directors deem adequate being given a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate on payment if any, of such sum not exceeding Re 1/- as the Directors may in their discretion determine. The Directors may in their discretion waive payment of such fee in the case of any certificate or certificates.

**As to issue of new certificates in place of one defaced, lost or destroyed.**

### **CALLS**

18. The Board of Directors may from time to time, but subject to the conditions hereinafter mentioned, 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 issue thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the Company or, where payable to a person other than the Company, to that person and at the time or times appointed by the Directors. A call may be made payable by instalments.
19. Where after the commencement of the Act any calls for future share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.
20. Fifteen days notice at the least of every call otherwise than on allotment shall be given specifying the time of payment and if payable to any person other than the Company the name of the person to whom the calls shall be paid; provided that before the time for payment of such call Directors may by notice in writing to the members revoke the same.
21. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the Members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.
22. The Directors may from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members whom from residence at a distance or other cause, the Directors may deem entitled to such extension but no member shall be entitled to such extension, save as matter of grace and favour.
23. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times (whether on account of the amount of the share or by way of premium), every such amount or instalment shall be payable as if it were a call duly made by the Board of Directors and of which due notice has been given and all the provisions

**Board may make calls.**

**Calls on shares of some class to be made on uniform basis.**

**Notice of call.**

**Calls to date from Resolution.**

**Directors may extend time.**

**Amount payable at fixed time or by instalments as calls.**



herein contained in respect of calls shall relate to such amount or instalment accordingly.

- When interest on call or instalment payable.** 24. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made or the instalment shall be due shall pay interest on the same at such rate not exceeding 9 per cent per annum as the Directors shall think fit from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.
- Judgement, decree or partial payment not to preclude forfeiture.** 25. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as herein provided.
- Proof on trial of suit for money due on shares.** 26. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member, in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given in pursuance of these presents, and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debts.
- Payment in anticipation of calls may carry interest.** 27. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for; and upon the money so paid up in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has made the Company may pay interest at such rate to the member paying such sum in advance as the Directors agree upon and the Company may at the time repay the amount so advanced upon giving to such member three months' notice in writing.

#### FORFEITURE, SURRENDER AND LIEN

- If call or instalment not paid notice must be given.** 28. If any member fails to pay the whole or any part of any call or instalments or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or, the Directors may at any time thereafter during such time as the call or instalment or any part thereof or other moneys remain unpaid or a judgement or a decree in respect thereof remains unsatisfied in whole or in part serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have



accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

- |     |  |   |
|-----|--|---|
| 29. | The Notice shall name a day (not being less than 14 days from the date of the notice) on or before which such call instalment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid and if payable to any person other than the Company the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other than the Company) to the person appointed the share in respect of which the call was made or instalment is payable will be liable to be forfeited.        | Terms of notice.  |
| 30. | If the requirements of any such notice as aforesaid shall not be complied with, any of the share, in respect of which the notice is given, may at any time thereafter before payment of all calls or instalments, interest and expenses or other money 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.  | In default of Payment, shares to be forfeited.                                      |
| 31. | When any share shall have been so forfeited, an entry of the forfeiture with the date thereof shall made in the Register of Members.   | Entry of forfeited in Register of member  |
| 32. | Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person, upon such terms and in such manner as the Directors shall think fit.   | Forfeited shares to be property of the Company and may be sold etc.                 |
| 33. | The Directors may at any time before any share so forfeited shall have been sold re-allotted or otherwise disposed of annual the forfeiture thereof upon such conditions as they thinks fit.   | Power to annual forfeiture.   |
| 34. | Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest, expenses and other moneys owing upon or in respect of such shares at the time of forfeiture together with interest thereon from the time of the forfeiture until payment at such rate not exceeding 9 per cent per annum as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if were a new call made at the date of the forfeiture but shall not under any obligation to do so. | Shareholder still liable to pay money owing at the time of forfeiture and interest. |
| 35. | The Directors may subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering on such terms as they think fit.  | Surrender of shares.  |
| 36. | The Company shall have no lien on its fully paid shares. In the case of partly paid up shares, the Company shall have a first and paramount lien only for all moneys called or payable at a fixed time in respect of such shares. Any such 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. The Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article.                       | Company's lien on shares.   |



- As to enforcing lien by sale.** 37. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment or discharge at such debts, liabilities or engagements for seven days after such notice to give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.
- Application of proceeds of sale.** 38. The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the debts, liabilities or engagements of such member and the residue (if any) paid to such member or the person (if any) entitled by transmission to the shares so sold.
- Certificate of forfeiture.** 39. A certificate in writing under the hand of two Directors and countersigned by a Managing Director, that the call in respect of a share was made, and notice thereof given and that default in payment of the call was made, and that the forfeiture of the shares was made, by a resolution of the Directors to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such share.
- Title of purchaser and allottee of forfeited share.** 40. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such shares is sold re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

#### **TRANSFER AND TRANSMISSION OF SHARES**

- Register of transfer** 41. The Company shall keep a book to be called the "Register of Transfer" and therein shall be fairly distinctly entered the particulars of every transfer or transmission of any share.
- Form of Transfer** 42. Shares in the Company may be transferred by an instrument in writing in the form set out below or in the form as near thereto as circumstances admit or in such other form as shall, from time to time, be approved of by the Directors.

#### **BALKRISHNA INDUSTRIES LIMITED**

I, \_\_\_\_\_ in consideration of the sum of Rupees \_\_\_\_\_ paid to me by \_\_\_\_\_ of \_\_\_\_\_ (hereinafter called "the Transferee") do hereby transfer to the Transferee \_\_\_\_\_ Shares (or shares) numbered \_\_\_\_\_ in the undertaking called Balkrishna Industries Ltd., to hold unto the said Transferee his (or her) executors administrators assigns subject to the several conditions on which I held the same immediately



before the execution hereof, and I the Transferee do hereby agree to take the said share (or shares) and to be a member of the Company subject to the said conditions aforesaid.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
Witness : \_\_\_\_\_ Signature(s)

- 42.A "Notwithstanding anything contained in the Act or the Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs."  
**Service of Documents**
- (Clause 42 was altered by inserting new clause 42A by the company at its 38th Annual General Meeting held on 17th August,2000)
- 43.(1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.  
**Application for Transfer**
- (2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
- (3) For the purposes of clause (2) above, notice to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
44. Every such instrument of transfer shall be signed both by 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 of Members in respect thereof.  
**To be executed by transferor and transferee**
45. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any of the transferee has been delivered to the Company along with the certificate relating to the shares or if no share certificate is in existence, along with the letter or allotment of the shares; Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit; Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.  
**Transfer not to be registered except on production of instrument of transfer.**
- 45.A "Nothing contained in section 108 of the Act or the Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository."  
**Transfer of Securities**
- (Clause 45 was altered by inserting new clause 45A by the company at its 38th Annual General Meeting held on 17th August,2000)



<b>Directors may refuse to register transfer.</b>	46.	Subject to the provisions of Section 111 of the Act, or any statutory modification thereof for the time being in force, the Directors may, at their absolute and uncontrolled discretion decline to register or acknowledge any transfer of shares, and shall not be bound to give any reason for such refusal and in particular may so decline in respect of share upon which the Company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved of by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of transfer shall be conclusive evidence of the approval by the Directors of the Transferee.
<b>Board may refuse to subdivide in certain cases.</b>	46.A	Notwithstanding anything contained in article 46, the board may refuse applications for subdivisions of equity share certificates into denominations of less than 50 Equity Shares except when such sub-division is required to be made to comply with a statutory order/regulation or an order of a competent court of law.  (Clause 46 was altered by inserting Clause 46A by the Company at its 24th Annual General Meeting held on 22nd September, 1986.)
<b>Notice of refusal to be given to transferor and transferee</b>	47.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall, within two months from the date of which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provision of Section 111 of the Act or any statutory modification thereof the time being in force shall apply.
<b>Transfer by legal representative</b>	48.	A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.
<b>Custody of transfer</b>	49.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.
<b>Closure of transfer books</b>	50.	The Directors shall have power on giving not less than seven days previous notice by advertisement as required by Section 154 of the Act to close the transfer books of the Company for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as to them may seem fit.
<b>Title of share of deceased holder</b>	51.	The executor or administrator or a holder of a Succession Certificate in respect of the estate of a deceased member (whether European, Hindu, Mohamedan, Parsi, or otherwise), not being one of two or more joint holders, shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executor or administrator unless such executor or administrators shall have first obtained Probate or Letters of Administrations as the case may be, from a duly constituted Court in India, provided that in any case where the Directors



in their absolute discretion think fit, the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate and under the next Article, register the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.

52. Subject to the provision of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) 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 shall require either be registered as a member in respect of such share or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares; Provided nevertheless that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the shares. This clause is herein referred to as the "Transmission Clause".

Registration of persons entitled to shares otherwise than by transfer (Transmission clause)

Article 53 shall commence with the following words:-

"In absence of a nomination recorded in accordance with the Section 109A of the Act., which shall in any event have precedence....."

53. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
- 53.A(1) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom its shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.
- (2) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.
- (3) Notwithstanding anything contained in any other law for the time being in force or any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholder or debenture holder or as the case may be all the joint holders in relation to such shares or debentures, to the exclusion of all other persons unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.
- (4) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of the Company in the manner prescribed under the Act, in the

Refusal to register nominee

Right of Nomination



event of his death, during the minority.

(Clause 53 was altered by inserting clause 53A (1) to (4) by the Company at its 38th Annual General Meeting held on 17th August, 2000.)

**Board may  
require evidence  
of transmission**

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

**Option to  
Nominee**

- 54.A(1) A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:
- (a) to register himself as holder of the share or debenture, as the case may be; or
  - (b) to make such transfer of the share or debenture, as the deceased shareholder or debenture holder, as the case may be, could have made.
- (2) If the nominee elects to be registered as holder of the share or debenture, himself as the case may be he shall deliver to send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.
- (3) A nominee shall be entitled to the Share, dividend and other advantages to which he would be entitled if he were the registered holder of the share or debenture. Provided that he shall not, before being registered as a member be entitled to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share or debenture, until the requirements of the notice, have been complied with.

(Clause 54 was altered by inserting clause 54A (1) to (3) by the Company at its 38th Annual General Meeting held on 17th August, 2000.)

**Fee on transfer  
transmission**

55. A fee not exceeding Rupee one per share be charged in respect of the transfer or transmission to the same party of any number of shares of any class or denomination subject to such maximum on any one transfer or transmission as may from time to time be fixed by the Directors. Such maximum may be a single fee payable on any one transfer or on transmission of any number of shares of one class or denomination or may be on a graduated scale varying with the number of shares of any one class comprised in one transfer or transmission or may be fixed in any other manner as the Directors may in their discretion determine.

**Company not  
liable for  
discharged of a  
notice prohibiting**

56. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or



claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable, right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some books of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.

registration of  
transfer

#### CONVERSION OF SHARES INTO STOCK

57. The Company may, by ordinary resolution of the Company in General Meeting:

Conversion of  
shares into stock  
and reconversion

(a) convert any paid-up shares into stock:

and

(b) convert any stock into paid-up shares of any denomination.

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

Transfer of stock

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

Rights of stock  
holders.

60. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up shares shall apply to stock and the words "share" and "member" in those regulations shall include "stock" and "stockholder" respectively.

Regulations

#### INCREASE, REDUCTION AND ALTERATION IN CAPITAL

61.(a) The Company may from time to time in General Meeting increase its share capital by the issue of new shares of such amount as it thinks expedient.

Increase of  
Capital

(b) Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall be directed and if no direction be give, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and any Preference shares may be issued on the terms that they are or at the option of the Company are to be, liable to be redeemed.



Rights of ordinary shareholders to further issue of capital.

62. Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the Equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at the date, and such offer shall be made in accordance with the provisions of section 81 of the Act. Provided that notwithstanding anything hereinbefore contained, the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are holders of the Equity shares of the Company, in any manner whatsoever.
- (a) If Special Resolution to that effect is passed by the Company in General Meeting, or
  - (b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be), in favour of the proposal contained in the Resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person or where proxies are allowed by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.

Same as Original Capital

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

Restrictions on purchase by Company of its own share

- 64.(1) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 66 or in pursuance of Section 100 to 104 or Section 402 or other applicable provisions (if any) of the Act.
- (2) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act, the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, the purchase or subscription made or to be made by any person of or for any shares in the Company.
  - (3) Nothing in this Article shall affect the right of the Company to redeem any Redeemable Preference shares issued under Article 61 or under Section 80 or other relevant provisions (if any) of the Act.

Provisions in case of redeemable Preference shares.

65. On the issue of Redeemable Preference shares under the provisions of Article 61, the following provisions shall take effect :-
- (a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption ;
  - (b) No such shares shall be redeemed unless they are fully paid;
  - (c) The premium, if any, payable on redemption shall be provided for out of the profits of the Company or out of the Company's



Share premium account, before the shares are redeemed;

- (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend be transferred to a Reserve Account to be called "The Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of a Company shall, except as provided under Section 80 of the Act or herein, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company;
- (e) Subject to the provisions of Section 80 of the Act and this Article, the redemption of Preference shares hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.
66. The Company may from time to time by Special Resolution reduce its share capital in any way authorised by law and in particular may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly. **Reduction of capital**
- 66.A Notwithstanding anything contained in these Articles but subject to the Provisions of Section 77A, 77AA and 77B and any other applicable provision of the Act or any other law for the time being in force, the Company shall have power to buy back its own shares or other specified securities on such terms and conditions up to such limits as may be determined by the Board and/or prescribed by the applicable law / rules notified from time to time." **Buy Back of shares**
- (Clause 66 was altered by inserting clause 66A by the Company at its Annual General Meeting held on 23rd August 2008)
- 66.B The Company may (subject to the provision of section 78, 80 and 100 to 105 of the Act) from time to time by Special Resolution reduce its Share Capital, Capital Redemption Reserve Account or Securities Premium Account in any manner for the time being authorised by law, and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.
- (Clause 66 was altered by inserting clause 66B by the Company at its Annual General Meeting held on 3rd December 2010)
67. The Company may in General Meeting alter the conditions of its Memorandum as follows :- **Consolidation, division and sub-division.**
- (a) Consolidate and divide all or any of its shares into shares of larger amounts
- (b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, subject nevertheless to the provisions of the Act and of these Articles.
- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.



- Issue of further pari passu shares not to affect the right of shares already issued. 68. 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 the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
- No issue with disproportionate rights 69. The Company shall not issue any shares (not being Preference shares) which carry voting right or rights in the Company as to dividend capital or otherwise which are disproportionate to the rights attached to the holders of other shares (not being Preference shares).

#### MODIFICATION OF CLASS RIGHTS

- Power to modify Class rights. 70. If at any time the share capital, by reason of the issue of Preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 106 and 107 of the Act, and whether or not the Company is being wound up, be varied, modified, abrogated or dealt with, the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class and all the provisions contained in these Articles as to General Meetings (including the provisions relating to quorum at such meetings) shall **mutatis mutandis** apply to every such meeting. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly prohibited by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of the further shares ranking pari passu therewith.

#### JOINT HOLDERS

- Joint Holders 71. 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 benefits of survivorship subject to the following and other provisions contained in these Articles :-
- Company may refuse to register more than four persons. (a) The Company shall be entitled to decline to register more than four persons as the joint holders of any share.
- Joint and several liabilities for all payments in respect of shares. (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
- Title of survivors. (c) On the death of any of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share, but the Directors may require such evidence of death as they may deem fit, and 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.
- Receipt of one sufficient. (d) Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.
- Delivery of Certificate and giving of notices to first named holders. (e) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the Certificate relating to such share or to receive documents referred to in Article 201 from the Company and any documents served on or sent to such person shall be deemed service on all the joint holders.



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

Votes of joint holders.

### BORROWING POWERS

72. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have power, from time to time at their discretion to borrow any sum or sums of money for the purposes of the Company; provided that the total amount borrowed at any time, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the consent of the Company in General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.
73. Subject to the provisions of the Act and these Articles, the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture stock, or any mortgage or charge or other security, on the undertaking of the whole or any part of the Company (both present and future) including its uncalled capital for the time being.
74. Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
75. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
76. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending and voting at General Meetings, appointment of Directors and otherwise; Provided that an option to call for, or be allotted, shares of the Company, or a privilege of voting at General Meetings of the Company, otherwise than when any interest is in arrears shall,

Power to borrow.

Conditions on which money may be borrowed.

Bonds, debentures, etc. to be subject to control of Directors.

Securities may be assignable free from equities.

Issue at discount etc. or with special privilege.



not be attached to any such bonds, debentures, debenture-stock or other securities, except with the sanction of the Company in General Meeting.

Mortgage of  
uncalled capital.

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

Indemnity may  
be given.

78. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or be about to incur any liability, whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable, as aforesaid, from any loss in respect of such liability.

#### GENERAL MEETING

#### CONVENING MEETINGS

Annual General  
Meeting.

- 79.(1) The Company shall, in addition to any other meetings, hold a general meeting (herein called an "Annual General Meeting") at the intervals, and in accordance with provisions, herein specified. The Annual General Meeting of the Company shall be held within six months after the expiry of each financial year; Provided, however, that if the Registrar of Companies shall have, for any special reason, extended the time, within which any Annual General Meeting shall be held, by a further period not exceeding three months, the Annual General Meeting may be held within the extended time fixed by the Registrar. Except in the cases where the Registrar has given an extension of time, as aforesaid, for holding any Annual General Meeting, not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.
- (2) Every Annual General Meeting shall be called for a time during business hours, and on such day (not being a public holiday) as the Directors may, from time to time, determine, and it shall be held either at the registered office of the Company or at some other place within the City Bombay. The notice calling the meeting shall specify it as the Annual General Meeting.

Extraordinary  
General meeting.

80. All General Meeting other than Annual General Meeting shall be called Extraordinary General Meetings.

Directors may  
call Extraordinary  
General Meeting

81. The Board of Directors may call an Extraordinary General Meeting whenever they think fit.

Calling for  
extraordinary

- 82.(1) The Board of Directors shall, on the requisition of such number of members of the Company as hold, in regard to any matter at the date of deposit of the requisition, not less than one-tenth



of such of the paid up capital of the Company as at the date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions; of Section 169 of the Act (including any provisions below) shall be applicable.

**General Meeting  
on requisition.**

- (2) The requisition shall set out the matters, for the consideration of which the meeting is to be called, and it shall be signed by the requisitionists and deposited at the Registered Office of the Company.
  - (3) The requisition may consist of several documents, in like form, each signed by one or more requisitionists.
  - (4) Where two or more distinct matters are specified in the requisition, the provision of Clause (1) above shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that Clause is fulfilled.
  - (5) If the Board of Directors does not, within twenty-one days from the date of the deposit of a valid requisition, in regard to any matters, proceed duly to call a meeting for the consideration of those matters, on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to in Clause (1) above, whichever is less.
  - (6) A meeting called under Clause (5) above, by the requisitionists or any of them, shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board, but shall not be held after the expiry of three months from the date of the deposit of the requisition.
  - (7) Any reasonable expenses incurred by the requisitionists, by reason of the failure of the Board duly to call a meeting, shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their service to such of the Directors as were in default.
- 83.(1) A General Meeting of the Company may be called by giving not less than 21 day's notice in writing.
- (2) However, a General Meeting may be called after giving a shorter notice than twenty-one days, if the consent is accorded thereto:
- (i) in the case of Annual General Meeting by all the members entitled to vote thereat; and
  - (ii) in the case of any other meeting, by members of the Company holding not less than 95% of such part of the paid up share capital of the Company as gives a right to vote at that meeting.

**Notice of  
Meeting.**

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



respect of the latter.

- Contents of Notice.** 84.(1) Every notice of the meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat.
- (2) In every notice there shall appear, with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member of the Company.

- Special business.** 85.(1) In the case of an Annual General Meeting, all business, to be transacted at the meeting shall be deemed special, with the exception of business relating to :-

(i) the consideration of the Accounts, Balance Sheet, and Profit and Loss Account and the Reports of the Board of Directors and the Auditors;

(ii) the declaration of dividend;

(iii) the appointment of Directors in the place of those retiring;

(iv) the appointment and fixing of remuneration of the Auditors;

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

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

Provided, however, that where any item of Special business as aforesaid, to be transacted at a Meeting of the Company relates to, or affects, any other company, the extent of shareholding interest in that other company of every Director, and Managing Director, shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 20 per cent of the paid-up share capital of that other Company.

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

**Service of Notice.**

86. Notice of every meeting shall be given to every member of the Company in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act and by these Articles. It shall be given to the persons entitled to share in consequence of the death or insolvency of a member, by sending it through the post in a pre-paid letter addressed to them by name or by the title of the representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred. Provided that where the notice of a meeting is given advertising the same in a news paper circulating in the neighbourhood of the registered office of the Company under sub-section (3) of section 53 of



the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that a statement has been forwarded to the members of the Company.

87. Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company. **Notice to be given to the Auditors.**
88. The accidental omission to give notice of any meeting to, or the non-receipt of any notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meetings. **As to omission to give notice.**
- 89.(1) Where, by any provision contained in the Act or in these Articles special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company, and not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served, or deemed to be served and the day of the meeting. **Resolutions requiring special notice.**
- (2) The Company shall, immediately after notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting or if that is not practicable shall give them notice thereof by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by the Articles, not less than seven days before the meeting.
- PROCEEDINGS AT GENERAL MEETINGS**
90. Five members entitled to vote and present in person, shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting, unless the quorum requisite be present at the commencement of the business. **Quorum at General Meeting.**
91. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present, the meeting, if convened on the requisition of shareholders, shall be dissolved, and, in every other case, shall stand adjourned to the same day in the next week, at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint it, at such adjourned meeting a quorum be not present, those members present shall be a quorum and may transact the business for which the meeting was called. **Proceedings when quorum not present**
92. No business shall be transacted at any adjourned meeting other than business which might have been transacted at the meeting from which the adjournment took place. **Business at Adjourned meetings**
- 93.(1) The Chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at every General Meeting, whether Ordinary or Extraordinary, but if there be no such Chairman, or in case of his absence or refusal the Vice Chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at such meeting, and if there be no such Vice Chairman, or in case of his absence or refusal, some one of the Directors (if any be present) shall be chosen to be Chairman of the meeting. **Chairman of Directors or Vice-Chairman or a Directors to be Chairman of General Meeting.**
- (2) If at any meeting a quorum of members shall be present, and the chair shall not be taken by the Chairman of the Board or by the Vice-Chairman or by a Director at the expiration of half an hour from the time appointed for holding the meeting or if before the expiration of that time, all the Directors shall decline **In case of their absence or refusal a member may act.**



		to take the Chair, the members present shall choose one of their own member to be Chairman of the meeting.
Business confined to election of Chairman whilst Chair vacant.	94.(1)	No business shall be discussed at any General Meeting whilst the chair is vacant except the election of a Chairman.
	(2)	If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles, the Chairman so elected on a show of hands exercising all the powers of the Chairman under the Act and these Articles.
	(3)	If some other person is elected Chairman, as a result of the poll he shall be Chairman for the rest of the meeting.
Chairman with consent may adjourn meeting.	95.	The Chairman with the consent of any meeting, at which a quorum is present, may adjourn any meeting from time to time and from place to place in Bombay
Notice to be given if adjourned for 30 days or more.	96.	When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
What would be evidence of the passing of a resolution where poll not demanded.	97.	At any General Meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded, be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the meeting, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.
Demand for poll.	98.	Before or on the declaration of the result of the vote on any resolution on a show of hands, a poll may be ordered to be taken by Chairman of the Meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company-which confer a power to vote on the Resolution, not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.  (Altered by the Company at its 26th Annual General Meeting held on 26th September, 1988.)
Time and manner of taking poll.	99.	A poll demanded on any question, (other than that of the election of the chairman or adjournment) shall be taken at such place in Bombay and at such time not being later than forty-eight hours from the time when the demand was made, as the Chairman may direct. Subject to the provisions of the Act, the Chairman of the meeting shall have the power to regulate the manner in which a poll shall be taken. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
Scrutineers at poll.	100.	Where a Poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancy in the office of



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

101. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business, other than the question on which the poll has been demanded. Demand for poll not to prevent transaction of other business.
102. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled to a casting vote, in addition to his own vote or votes to which he may be entitled as a member. Motion how decided in case of equality of votes.
103. At every General Meeting of the Company there shall be laid on the table the Directors' Report and audited Statement of Accounts, Auditor's Report (if not already incorporated in the Audited Statement of Accounts) the Proxy Register with proxies and the Register of Director's holdings maintained under Section 307 of the Act. The Auditor's report shall be read before the Company in General meeting and shall be open to inspection by any Member of the Company. Reports, Statements and registers to be laid on the table.
104. A copy of each of the following Resolutions (together with a copy of the Statement of material facts annexed under section 173 to the notice of the meeting in which such Resolution has been passed) or Agreement shall, within fifteen days after the passing or making thereof, be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar:- Registration of certain resolutions and Agreements.
- (a) special resolutions;
  - (b) resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolutions;
  - (c) resolutions of the Board or Agreements relating to the appointment, reappointment or the renewal of the appointment or variations of the terms of appointment of a Managing Director;
  - (d) resolutions or agreements which have been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner, and all resolutions or agreements which effectively bind all the members of any class of shareholders though not agreed to by all those members;
  - (e) resolutions requiring the Company to be wound up voluntarily passed in pursuance of sub-section (1) of Section 484 of the Act.
  - (f) resolutions passed by the Company according consent to the exercise by its Board of Directors of any of the powers under clause (a), clause (d) and clause (e) of sub-section (1) of Section 293 of the Act; and
  - (g) resolutions passed by the Company approving the appointment of Sole selling Agent under Section 294 of the Act.

A copy of every Resolution which has the effect of altering the



Articles of Association of the Company and a copy of every Agreement referred to in the above sub clauses (c) and (d) shall be embodied in and annexed to every copy of the Articles issued after the passing of the Resolution or the making of the agreement.

**Minutes of  
General  
Meetings.**

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

**Inspection of  
minute books of  
General Meeting.**

106. The book, containing the aforesaid minutes, shall be kept at the registered office and be open during business hours to the inspection of any member without charge subject to such reasonable restriction as the Company may by these Articles or in General Meeting impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished within the seven days after he has made a request in that behalf to the Company with a copy of the minutes on payment of six annas for every one hundred words or fractional part thereof required to be copied.

**Publication of  
reports of  
proceeding of  
General  
Meetings.**

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

#### **VOTES OF MEMBERS**

**Votes may be  
given by proxy  
or attorney.**

108. Subject to the provisions of the Act and these Articles, votes may be given personally or by an attorney or by proxy or, in the case of a body corporate also by a representative, duly authorised under Section 187 of the Act and Articles 110.

**Number of Votes  
to which  
Members entitled**

109.(1) Subject to the provisions of the Act and these Articles, upon a show of hands every member entitled to vote and present in person (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 187 of the Act and Articles 110) or by attorney or, in the case of body corporate, by proxy shall have one vote.

(2) Subject to the provisions of the Act and these Articles upon a poll, every member entitled to vote and present in person (including a body corporate present as aforesaid) or by attorney or by proxy shall be entitled to vote and shall have the following voting rights:-

(a) In respect of every equity share (whether fully paid or partly paid), his voting right shall be in the same proportion as the capital paid up on such equity share bears to the total paid up equity share of the Company.



- (b) In respect of every fully paid preference share, his voting right shall be equal to the voting right for a fully paid equity share.
- 109.A "Notwithstanding any thing contained in Articles 109 of the Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of securities on behalf of a beneficial owner.
- Save as otherwise provided hereinabove the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and
- Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner shall be entitled to all the rights and benefits and shall be subject to all the liabilities in respect of such of his securities which are held by a Depository.
- (Clause 109 was altered by inserting clause 109A by the Company at its 38th Annual General Meeting held on 17th August, 2000)
110. Any person, entitled under the Transmission Clause (Article 52 hereof) to transfer any shares, may vote at any General Meeting in respect thereof as if he was the registered holder of such shares, provided that at least forty eight hours before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
111. Subject to the provisions of the Act, no member shall be entitled to be present, or to vote, at any General Meeting either personally or by proxy or attorney or as a proxy or attorney for any other member or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.
112. On a Poll taken at a meeting of the Company, a member entitled to more than one vote, or his proxy, or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
113. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting.
114. Every proxy shall be appointed by an instrument in writing signed by the appointor or his attorney duly authorised in writing or, if the appointor is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
115. (1)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 thereof shall be deposited at the office of the Company not less than forty-eight hours before the time of holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a
- Voting rights of Depositories and beneficial owner
- Votes in respect shares of deceased, insolvent members.
- No member to vote unless calls are paid up
- Right of member to use his votes differently.
- Proxies.
- Appointment of proxy.
- Deposit of instrument of appointment.



proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time. An Attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or notorally certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time meeting at which the attorney propose to vote or is deposited at the office of the company not less than 48 hours before the time fixed for such meeting, as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the member or the attorney given at least fourteen days before the meeting require him to produce the original power of attorney or authority and unless the same is thereon deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting, unless the Directors in their absolute discretion excuse such non-production and deposit.

**Inspection of proxies**

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

**Form of proxy.**

116.

An instrument appointing a proxy shall be in the following form or shall contain words to the following effect :-

**BALKRISHNA INDUSTRIES LTD.**

I/We

of in the

district of

being a member/members of the abovenamed Company

hereby appoint of

in the district of

or failing him,

of

as my/our proxy to vote for me/us on my/our behalf at the

Annual General

Meeting/

Extraordinary General Meeting of the Company to be held on

the day of and at

any adjournment thereof.

Signed this day of 19

**Custody of the instrument.**

117.

If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company, it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if



embracing other objects, a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

118. A vote, given in accordance with the terms of an instrument of proxy or a power of attorney, shall be valid, notwithstanding the previous death of the principal or revocation of the proxy or the power of attorney, as the case may be, or of the power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the registered office of the Company before the Meeting. **Validity of votes given by proxy notwithstanding death of member, etc.**
119. Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy or by any means hereby authorised and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever. **Time for objection to votes.**
120. Subject to the provisions of the Act and these Articles, the Chairman of any general meeting shall be the sole judge of the validity of every vote tendered at such meeting upon a show of hands or upon a poll. **Chairman of any meeting to be the judge of validity of any vote.**

#### **DIRECTORS**

121. Until otherwise determined by a General Meeting, the number of Directors shall not be less than three or more than sixteen, excluding the Special Director and Debenture Director (if any). **Number of Directors.**
122. The First Directors of the Company are :- **First Director**
- 1. MR. JAYANTILAL R. MEHTA**  
(Chairman)
  - 2. MR. DEVI RATTANSEY**
  - 3. MR. GORDHANDAS BHAGWANDAS**
  - 4. MR. SHANTILAL HIRALAL SHAH**
  - 5. MR. HANSRAJ L. CHANDARAMJI**
  - 6. MR JANARDAN N. VYAS**
  - 7. MR. MANGEH V. BELLARE**
123. Subject to the provisions of Section 316 and 317 and other applicable provisions of the Act, the Board of Directors may from time to time appoint one or more directors to be Managing Director or Managing Directors or Joint Managing Director or Joint Managing Directors or whole time Directors or Executive or Executive Directors of the Company and may from time to time subject to any contract with him or them remove or dismiss him or them from office and appoint another or others in his or their place or places.
123. (a) The Board of Directors may, from time to time and subject to the requisite approval by the Company in General Meeting and where necessary also that of the Central Government under the provisions of Companies Act, 1956, appoint a Managing Director OR Managing Directors, Joint Managing Director, whole time Director/s on such terms and conditions and for such period that it may consider proper.



(b) The Managing Director/s, Joint Managing Director or Whole time Director/s shall be responsible for carrying on and conducting the business of the Company under the supervision, directions and control of the Board of Directors and they may exercise such powers, authorities and discretions as may from time to time be vested in them under an agreement or delegated to them by the Board of Directors.

Debenture  
Director/  
Nominee  
Director

124.A Notwithstanding anything to the contrary contained in these Articles so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI) The Industrial Credit and Investment Corporation of India Limited (ICICI) and Life Insurance Corporation of India (LIC) or to any other Finance Corporation of Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing Company or body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Finance Corporation or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as the "Corporation") continue to hold debentures in the company by direct subscription or private placement, or so long as the Corporation or the debenture trustees hold securities in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the corporation on behalf of the Company remains outstanding or two consecutive defaults in terms of payment of interest or default in redemption of securities have been made by the Company, or there is a default in creation of security by the Company, then in case of any such event or such other event as may be prescribed as per Applicable Laws, the Corporation and/or the debenture trustees, as the case may be shall have a right to appoint from time to time any person or persons as a Director or Directors Whole Time or Non-Whole Time (which Director or Directors is/are hereinafter referred to as "Nominee" Director/s) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

Such a nomination shall be made in writing by the Corporation and/or the debenture trustees and shall be delivered to the Company and the Company shall be obligated to make such appointment at the earliest and not later than one month from the date of receipt of such nomination in writing from the Corporation and/or the debenture trustees.

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

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



The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meeting Board Meetings of the Company of which the Nominee Director/s is/are member's as also the minutes of such meetings. The Corporation and/or the debenture trustees shall also be entitled to receive all such notices and minutes.

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


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

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

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

(Alteration of the said Clause is pursuant to SEBI Notification no. SEBI/LAD-NRO/GN/2023/119 dated 2<sup>nd</sup> February, 2023 which was approved by the Members of the Company at its 61<sup>st</sup> Annual General Meeting held on 22<sup>nd</sup> July, 2023)

- 125.A Debenture Director/s or Managing Director/s or Joint Managing Director/s shall not be liable to retire by rotation or subject to the provisions of the Act be removed by the Company. The Trust deed or the Agreement with Managing Director/s or Joint Managing Director/s may contain such ancillary provisions as may be agreed between the Company and the trustee/s or Managing Director/s or Joint Managing Director/s as the case may be and this provision shall have effect notwithstanding any other provision herein contained.

  
Managing  
Director not to  
retire by rotation

(Altered by the company at its 23rd Annual General Meeting held on 30th September, 1985.)

126. The Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the original Director") during his absence for a period of not less than three months from the State of Maharashtra and such appointment shall have effect, and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An Alternate Director, appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the State of Maharashtra. If the term of office of the original Director is determined before he so returns to the State of Maharashtra, any provision in the Act or in these

Appointment of  
Alternate  
Director.



Articles for the automatic reappointment of retiring Directors in default of another appointment shall apply to the original Director and not to the Alternate Director.

- Casual vacancy.** 127. Subject to the provisions of Section 262(2) and 284 (6) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director whose period of office is liable to determination by retirement by rotation may be filled up by the Directors, at a meeting of the Board. Any person so appointed shall hold office only upto the date up to which the Director in whose place he is appointed would have held office, if the vacancy had not occurred.
- Appointment of Additional Director.** 128. Subject to the provisions of Section 260, 261 and 284 (6) and other applicable provisions (if any) of the Act, the Directors shall have power at any time, and from time to time, to appoint a person as an Additional Director. The Additional Director shall retire from office at the next following Annual General Meeting but shall be eligible for re-election.
129. (Article 129 of the Article of Association of the Company be deleted with retrospective effect by the Company at its 41th Annual General Meeting held on 4th September, 2003.)
- Remuneration of Directors.** 130. (1) The remuneration of a Director for his services shall be the sum of Rupees 100/- for each meeting attended by him with power to the Director from time to time to revise such fee but so as not to increase the same beyond a maximum of Rs. 250/- for each meeting. Subject to the limitation provided by the Act, such additional remuneration as may be fixed by the Directors, may be paid to any one or more of the Directors for services rendered by him or them and the Directors shall be paid further remuneration (if any) as the company in General Meeting shall, from time to time determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may, from time to time determine and in default of such determination, equally. Such remuneration and/or additional remuneration may be by way of salary or commission or dividends, profits or turnover or by participation in profits or by any or all of those modes.
- Rs.500/- appearing in the 4th Line of the Article be substituted by the words "such sum as may be prescribed under the Act or by Central Government under any other applicable rules and/or provision from time to time.
- (Altered by the Company at 32nd Annual General Meeting held on 7th July, 1994.)
- Directors not bonafied residents of the place where meetings held may receive extra compensation of and remuneration of committee** (2) The Directors may, subject as aforesaid, allow and pay to any director, who is not a bona fide resident of the place where a meeting is to be held and who shall come to such place for the purpose of attending a meeting, such sum as the Directors may consider fair compensation for travelling expenses, in addition to his fee for attending such meeting as above specified and the Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee, appointed by the Directors in terms of these Articles and may pay the same.
- Special remuneration to Director on Company's** (3) If any Director, being willing shall be called upon to perform extra services or to make any special exertion in going or residing out or otherwise for any of the purposes of the Company, the Company shall, subject as aforesaid,



remunerate such Director either by a fixed sum or by a percentage of profits, not exceeding 3 percent of the net profits of the Company, as defined in Section 349 of the Act, or otherwise as may be determine by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.

**business or otherwise performing extra services**

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

**Directors may act notwithstanding vacancy.**

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

**When office of Director to become vacant.**

- (a) he fails to obtain within the time specified in Articles 129 and sub Section (1) of Section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any, required of him by these Articles; or
- (b) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (c) he applies to be adjudicated an insolvent; or
- (d) he is adjudged an insolvent; or
- (e) he fails to pay any call made on him in respect of shares of the Company held by him; whether alone or jointly with others, within six months from the last date fixed for the payment of the call; unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure; or
- (f) any office or place of profit under the Company or any subsidiary thereof is held by him in contravention of Section 314 of the Act; or
- (g) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board of Directors; or
- (h) he becomes disqualified by an Order of Court under Section 203 of the Act; or
- (i) he is removed in pursuance of Section 284 of the Act; or
- (j) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a director, accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
- (k) he acts in contravention of Section 299 of the Act and by virtue of such contravention, shall have been deemed to have vacated office; or
- (l) he is convicted by a Court of any offence, involving moral turpitude, and sentenced, in respect thereto imprisonment for not less than six months; or
- (m) he having been appointed a Director by virtue of his holding any office or other employment in the Company,



ceases to hold such office or other employment in the Company.

**Resignation**

(2) Subject to the provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.

**Directors may contract with Company.**

133. (1) Subject to the provisions of Clauses (2), (3) (4) and (5) of this Article and the restrictions imposed by Articles 137 and the other Articles hereof and the Act and the observance and fulfilment thereof, no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company, in which any director shall be in any way interested, be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by and such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by Clause (2), (3) and (4) hereof.

**Disclosure of interest.**

(2) Every Director who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided by Clause (4) hereof.

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

(b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

**General notice of interest.**

(4) For the purpose of this Article, a general notice given to the Board of Directors by a Director to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firms shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given, but may be renewed for further periods of a financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(5) Nothing in Clauses (2), (3) and (4) hereof shall apply to any contract or arrangement entered into or to be entered into



between the Company and any other company where any one of the Directors of the Company, either himself or jointly with any other person or persons, hold not more than 2 per cent of the paid-up share capital in the other company.

(6) An interested Director shall not take any part in the discussions of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, directly or indirectly concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussions or vote; and if he does vote, his vote shall be void;

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

Provided that this prohibition shall not apply

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

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

**Register of contracts in which Directors are interested.**

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

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

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



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

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

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

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

**Disclosure of holdings.**

135. A Director shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307. If such notice be not given at a meeting of the Board, the Director shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter particulars of a Director's holding of shares and debenture as aforesaid in a register kept for that purpose in conformity with Section 307 of the Act.

**Directors not to hold office or place of profit**

136. (1) Except with the previous consent of the Company accorded by a special resolution:-

- (a) no Director of the Company shall hold any office or place of profit, and
- (b) no partner or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a director or member and no director, managing agent, secretaries and treasurers or manager of such a private company shall hold any office or place of profit carrying a total monthly remuneration of five hundred rupees or more.

except that of Managing Director, Managing Agent, Secretaries and Treasurers, Manager, Legal or Technical Advisor, Banker or Trustee for the holders of debentures of the Company;

(i) under the Company; or

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

Provided that where a relative of a Director or a firm in which such a relative is a partner, is appointed to an office or place of profit under the Company or a subsidiary thereof without the knowledge of the Director, the consent of the Company may be obtained within three months from the date of the appointment; and if such consent is not obtained within that period or is refused, the relative or the



firm shall be deemed to have vacated his or its office or place on and from the date of expiry of that period and shall be liable to refund to the Company any remuneration drawn by him or it for the period immediately preceding that date.

Explanation - For the purpose of this Clause a special resolution according consent shall be necessary for every appointment in the first instance to an office or place of profit and to every subsequent appointment to such office or place of profit on a higher remuneration not covered by the special resolution, except where an appointment on a time scale has already been approved by the special resolution.

(2) Nothing in Clause (1) above shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place before such Director becomes a Director of the Company.

(3) If any office or place of profit under the Company or a subsidiary thereof is held in contravention of the provisions of Clauses (1) above the Director concerned shall be deemed to have vacated his office as Director with effect from the first day on which the contravention occurs; and shall also be liable to refund to the Company any remuneration received, or the monetary equivalent of any perquisites or advantages enjoyed by him, in respect of such office or place of profit.

(4) Every individual, firm, private company or other body corporate proposed to be appointed to any office or place of profit, to which this Article applies, shall before, or at the time of, such appointment declare in writing whether he or it is or is not connected with a Director of the Company in any of the ways referred to in Clause (1) hereof.

137. (1) Except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director shall not enter into any contract with the Company (a) for the sale, purchase or supply of any goods, materials or services or (b) for underwriting the subscription of any shares in, or debentures of the Company.

(2) Nothing contained in the foregoing Clause (1) shall affect:

(a) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company, by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or

(b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company, as the case may be, regularly trades or does business:

Provided that such contract or contracts do not relate to

**Board Resolution  
at a meeting  
necessary for  
certain contracts.**



goods and materials the value of which or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

(3) Notwithstanding anything contained in the foregoing Clauses (1) and (2), a Director, relative, firm, partner or private Company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract : but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.

(4) Every consent of the Board required under this Article shall be accorded by a Resolution passed at a meeting of the Board and not otherwise, and the consent of the board required under Clause (1) above shall not be deemed to have been given within the meaning of that Clause unless the consent is accorded before the contract is entered into or within three-months of the date on which it was entered into.

(5) If consent is not accorded to any contract under this Article anything done in pursuance of the contract shall be voidable at the option of the Board.

#### RETIREMENT AND ROTATION OF DIRECTORS

- |  |      |   |
|--|------|---|
| Retirement by rotation.                          | 138. | (1) Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and, save as otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.<br><br>(2) The remaining Director shall be appointed in accordance with the provisions of these Articles.   |
| Directors to retire annually how determined.     | 139. | At the Annual General Meeting in each year, one-third of the Directors, for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.   |
| Ascertainment of Directors retiring by rotation. | 140. | Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his re-appointment is decided or his successor is appointed. |
| Eligibility for re-appointment.                  | 141. | Subject to the provisions of the Act and these Articles, a retiring Director, shall be eligible for re-appointment.   |
| Company to fill up vacancy.                      | 142. | Subject to the applicable provisions (if any) of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.  |



143. (1) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, at the same time and place.
- (2) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :-
- (a) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost ;
  - (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
  - (c) he is not qualified or is disqualified for appointment;
  - (d) a resolution, whether special or ordinary, is required for the appointment or re-appointment in virtue of any provisions of the Act.
  - (e) Article 145 or Sub-Section (2) of Section 263 or Clause (3) of Article 146 or sub-Section (3) of Section 280 of the Act is applicable to the case.

**Provisions in default of appointment.**

144. (1) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member, intending to propose him, has at least fourteen clear days the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be.

**Notice of candidature for office of Director.**

Along with deposit of Five hundred rupees which shall be refunded to such person or as the case may be to such member, if the person succeeds in getting elected as a director.

(Altered by the Company at its 27th Annual General Meeting held on 30th September, 1989.)

(2) Every person (other than a person who has left at the office of the company a notice under Section 257 signifying his candidature for the office of a director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director is appointed.

(3) A person, other than a Director re-appointed after retirement by rotation shall not act as a Director of the Company unless he has within 30 days of his appointment signed and filed with the Registrar his consent in writing to act as such director.

145. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not

**Individual resolution for Director's appointment.**



objection was taken at the time to its being so moved. Provided that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

146. (Articles 146, 147 & 148 relating to Age Limit for directors was  
147. deleted at 23rd Annual General Meeting of the Company held  
148. on 30th September 1985.)

#### REMOVAL OF DIRECTORS

#### Removal of Directors.

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

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

(3) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is member of the Company) shall be entitled to be heard on the resolution at the meeting.

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

(5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Section 262 of the Act, be filled by the appointment of another Director in his stead by the meeting at which he is removed; Provided special notice of the intended appointment has been given under Clause (2) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed, as aforesaid.

(6) If the vacancy is not filled under Clause (5) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of Section 262 of the Act, and all the provisions of that Section shall apply accordingly.

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



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

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

#### PROCEEDINGS OF BOARD DIRECTORS

150. The Directors may meet together as a Board for the dispatch of the business from time to time and shall so meet at least once in every three calendar months.

Meetings of Directors.

The provision of this Article shall not be deemed into be contravened merely by reason of the fact that a meeting of the Board, which has been called in compliance with the terms herein mentioned, could not be held for want of a quorum"

(Altered by the Company at 35th Annual General Meeting held on 21st August, 1997.)

151. A Director or the Managing Directors may at any time and the Managing Director, upon the request of a Director shall convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.

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

Quorum.

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

Adjournment of meeting for want of quorum.

- 154.(1) The Directors may elect a Chairman of their meetings, and determine the period for which he is to hold office.

Appointment of Chairman and Vice-Chairman

- (2) The Directors may appoint a Vice-Chairman of the Board of Directors to preside at meetings of the Directors at which the Chairman shall not be present.

155. All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of Directors the Chairman be not present, at the time appointed for holding the same, the Vice-Chairman, if present shall preside and if he be not present at such time then and in that case the Directors shall chose one of the Directors then present to preside at the meetings.

Who to Preside at Meeting of the Board



<b>Question at Board Meeting how decided (casting vote)</b>	156.	Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes the Chairman of the meeting (whether the Chairman or Vice-Chairman appointed by virtue of these Articles or the Director presiding at such meeting) shall have a second or casting vote.
<b>Directors may appoint Committee.</b>	157.	Subject to the provisions of section 292 of the Act and Article 165, the Directors may delegate any of their powers to Committees consisting of such member or members of their body as they think fit and they may, from time to time, revoke and discharge any such Committee, either wholly or in part, and either as to persons or purposes; but every 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. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act, the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of these Articles, and may pay the same.
<b>Meetings of Committees how to be governed.</b>	158.	The meetings and proceedings of any such Committee, consisting of two or more directors shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, in so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
<b>Resolution by Circular.</b>	159.	<p>(1) A resolution passed by circular, without a meeting of the Board or a Committee of the Board appointed under Article 157 shall, subject to the provisions Clause (2) hereof and the Act, be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a Committee duly called and held.</p> <p>(2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than the quorum for a meeting of the Board or Committee, as the case may be) and to all other Directors or members of the Committee at their usual address in India, and has been approved by such of the Directors or members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.</p> <p>(3) Subject to the provisions of the Act, a statement signed by the person, authorised in that behalf by the Directors, certifying the absence from India of any Director shall for the purpose of this Article be conclusive.</p>
<b>Acts of Board or Committee valid notwithstanding defect in appointment.</b>	160.	Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.
<b>Minutes of</b>	161.	The Company shall cause Minutes of the meetings of the



Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 193 of the Act. The Minutes shall contain a fair and correct summary of the proceedings at the meeting including the following :-

proceedings of Board of Directors and committees to be kept.

- (i) the names of the Directors present at the meeting of the Board of Directors or of any Committee of the Board;
- (ii) all orders made by the Board of Directors or Committee of the Board and all appointments of officers and Committees of Directors
- (iii) all resolutions and proceedings of meeting of the Board of Directors and the Committees of the Board;
- (iv) in the case of each resolution passed at a meeting of the Board of Directors or Committees of the Board, the names of the Directors, if any, dissenting from or not concurring in the resolution.

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

By whom minutes to be signed and the effect of minutes recorded.

#### POWERS OF DIRECTORS

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

General powers of the Directors.

(2) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

164. The Board of Directors shall not except with the consent of the Company in General Meeting :

Consent of Company necessary for the exercise of certain powers.

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

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

(c) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition after 1st April, 1956 of any such undertaking as is referred to in sub-clause (a) above, or of any



premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only, with difficulty or only after a considerable time;

(d) borrow moneys in excess of the limits provided in Article 72.

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

**Certain powers to be exercised by the Board only at meeting.**

165. (1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board:-

(a) The powers to make calls on shareholders in respect of money unpaid on their shares;

(b) The power to issue debentures;

(c) The power to borrow moneys otherwise than on debentures;

(d) The power to invest the funds of the Company;

(e) The power to make loans:

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

(2) Every resolution delegating the power referred to in Clause (1) (c) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegates; Provided, however that where the Company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit or otherwise the actual day to day operation of the overdraft, cash credit or other accounts by means of which the arrangement so made is availed of, shall not require the sanction of the Board.

(3) Every resolution delegating the power referred to in Clause (1)(d) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegates.

(4) Every resolution delegating the power, referred to in Clause (1) (e) shall specify the total amount upto which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount of loan which may be made for each such purpose in individual cases.

(5) Nothing in this Article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in (a), (b), (c), (d) and (e) of Clause (1) above.

**Certain powers of the Board.**

166. Without prejudice to the powers conferred by Articles 72 and 163 so as not in any way to limit or restrict those powers, and



without prejudice to the other powers conferred by these Articles, but subject, to the restrictions contained in the last preceding two Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power :-

(1) to pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of Section 76 and 208 of the Act and Article 16 and 170.

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

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

(4) to insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

(5) To open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.

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

(7) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.

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

(9) to appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes; and to execute and do all such acts and things as may be requisite in relation to any such trust, and to provide



for the remuneration of such trustee or trustees.

(10) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due or of any claims or demands by or against the Company.

(11) to refer any claim or demand by or against the Company or any differences to arbitration and observe and perform any awards made thereon.

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

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

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

(15) subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof, upon such security and other investments (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, provided that save as permitted by Section 49 of the Act, all investments shall be made and held in the Company's own name.

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

(17) subject to the provisions of of the Act, to give to any Director, officer or other person employed by the Company an interest in any particular business or transaction, either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of the profit shall be treated as a part of the working expenses of the Company except that a share of profits shall not, unless specifically provided by the terms of the Agreement appointing the Managing Directors, be treated as working expense or a deduction from revenue in arriving at the profits or net profits for calculation of the commission to be payable to the Managing Directors; Provided the aggregate commission or share of profits payable to the Directors or to the officers of the Company otherwise than to the Managing Directors shall not exceed in the aggregate a sum equivalent to 3 percent of the net profits of the Company as defined in Section 349 of the Act; Provided however that this limitation or restriction on the percentage of net profits shall not be applicable to any distribution of a general bonus



to employees of the Company.

(18) to provide for the welfare of employees or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, or dwellings or quarters, or by grants of money, pensions, allowances, bonus or other payments or by creating and from time to time, subscribing or contributing to provident fund and other associations, institutions, fund or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Directors shall think fit; and to subscribe or contribute or otherwise to assist, support, endow or to guarantee money to charitable, benevolent, religious, scientific, national or any other institution, societies, clubs, funds or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility of otherwise; Provided that when contributing (a) to any political party or (b) for any political purpose to any individual or body, the provisions of Section 293A of the Act shall be complied with.

(19) before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation, Depreciation Fund, General Reserve, Reserve Fund, Sinking Fund or any special or other fund or funds or account or accounts to meet contingencies, to repay redeemable Preference Shares, debentures, or debenture stock, and for special dividends and for equalising dividends, for repairing, improving, extending and maintaining any part of the property of the Company, and/or for such other purposes, (including the purposes referred to in preceding Clause) as the Directors may, in their absolute discretion, think conducive to the interest of the Company, and to invest the several sums so set aside or so much thereof as require to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with any and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions, as aforesaid) in their absolute discretion think conducive to the interests of the Company, notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve, General Reserve or the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of redeemable Preference Shares, debentures or debenture stock and that without being bound to keep the same separate from the others assets and without being bound to pay or allow interest on the same, with power, however, to the Directors at their discretion, to pay or allow to the credit of such fund interest at such rates as the Directors may think proper, not exceeding 9 per cent per annum.

(20) without thereby prejudicing the appointment of the Managing Directors and the position, rights and power of such



Managing Directors under these Articles and by virtue of any agreement entered into between them and the Company, to appoint and at their discretion, remove or suspend such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries, emoluments and require security in such instances and to such amount as they think fit. And also without prejudice as aforesaid from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in Clauses (22), (23), (24) and (25) following shall be without prejudice to the general powers conferred by this Clause.

(21) to comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with.

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

(23) subject to the provisions of Section 292 of the Act and Article 165, from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or any managers or agents so appointed, any of the powers, authorities and discretions for the time being, vested in the Board of Directors, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation under Clause (22) or this Article may be made on such terms, and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed and may annul or vary any such delegation.

(24) at any time and from time to time by power of attorney, to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles) and for such period and subject to such conditions as the Board of Directors may from time to time think fit, and any such appointment may (if the Board of Directors think fit) be made in favour of the members or any of the members of any Local Board, established, as aforesaid or in favour of any company or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board of Directors, and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board of Directors may think fit and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.



(25) generally subject to the provisions of the Act and these Articles, to delegate the powers, authorities and discretions vested in the Directors to any person, firm, company or fluctuating body of persons, as aforesaid.

(26) subject to the provisions of the Act and these Articles, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company, to enter into all such negotiations and contracts, and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for, or in relation to, any of the matters aforesaid, or otherwise for the purposes of the Company.

#### **MANAGING DIRECTOR**

167. A Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors or number of Directors to retire but he shall, subject to the terms of any contract between him and the Company, be subject to the same provisions as to resignation and removal as those applicable to the other Directors of the Company and if he ceases to hold the office of Director from any cause, he shall ipso facto and immediately cease to be a Managing Director.

The remuneration of a Managing Director shall, from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits, or by any or all of those modes, or in any other form and shall be subject to the limitations prescribed in Sections 198 and 309 of the Act.

Subject to the restrictions contained in the next succeeding clause, the Directors may, from time to time entrust to and confer upon, a Managing Director for the time being, such of the powers exercisable under these Articles by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw alter or vary all or any of such powers. Unless and until otherwise determined a Managing Director may exercise all the powers exercisable by the Directors, save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves.

The Managing Director or Managing Directors shall not exercise the powers to:-

- (1) make calls on shareholders in respect of moneys unpaid on the shares in the Company;
- (2) Issue debentures; and
- (3) except as may be delegated by the Board under Section 292 of the Act, Invest the funds of the Company, or make loans and borrow moneys.

- 167.A Every Directors including Managing Director and Whole-time Director, Secretary, Officer, Auditor for the time being of the Company shall be indemnified out of the Assets of the Company against liability incurred by them / him in defending



any proceedings, whether civil or criminal, in which the judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 in which relief is granted to him by the Court.

(Clause 167 was altered by inserting clause 167A by the Company at its 26th Annual General Meeting held on 26th September, 1988.)

#### THE SEAL

**Seal** 168. 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 Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Directors, or a committee of Directors previously given.

**Deeds how executed.** 169. Every deed or other instruments to which Common Seal of the Company is required to be affixed shall be signed by any one of the Director of the Company or Company Secretary or any other Person authorised by Board in whose presence Common Seal shall have been affixed and shall be countersigned by the Secretary of the Company or any other person authorised by the Board.

(Altered by the Company at its 46th annual General meeting held on 23rd August, 2008)

**Seal abroad.** The Company may exercise the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

(Altered by the Company at its 21st Annual General meeting held on 29th September, 1983.)

#### INTEREST OUT OF CAPITAL

**Payment of interest out of Capital.** 170. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate, and subject to the conditions and restrictions provided by Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the works or buildings or the provision of plant.

#### DIVIDENDS

**Dividend** 171. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively.

Provided always (Subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared shall unless the Directors otherwise determine, only entitle and shall be deemed always to have only entitled the holder of such share to an appointed amount of such dividend as from the date of payment.

**Capital paid up** 172. Where capital is paid up in advance of calls upon the footing



- that the same shall carry interest, such capital shall not whilst carrying interest confer a right to participate in profits.
173. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a large amount is paid up or credited as paid up on some shares than on others.
174. The Company in General Meeting may subject to Section 205 of the Act, declare a dividend to be paid to the members according to their respective rights and interests in the profits, and subject to the provisions of the Act may fix the time for payment. When a dividend has been so declared, the warrant in respect thereof shall be posted within thirty days from the date of the declaration to the shareholders entitled to the payment of the same.
- (Altered by the company at its 46th Annual General Meeting held on 23rd August, 2008.)
175. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits or otherwise than in accordance with the provisions of Sections 205, 206 and 207 of the act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
176. Subject to the provisions of the Act, the Directors may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies.
177. Subject to the provisions of the Act, the Directors may retain the dividends payable upon shares, in respect of which any person is, under Article 52 entitled to become a member, or which any person under that Article is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.
178. Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from time to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons; and the Director may deduct from the interest or dividend payable to any member all sums of moneys so due from him to the Company.
179. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
180. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled, or in case of joint holders, to that one of them first named in the Register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto, by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.
181. The Company shall transfer the Unpaid Dividend to a Special
- in advance at interest not to earn dividends.
- Dividends in proportion to amount paid up.
- The Company in General Meeting may declare a dividend.
- Power of Directors to limited Dividend.
- Interim dividends.
- Retention of dividends until completion of transfer under Article 52
- No member to receive Dividend whilst indebted to the Company and Company's right of reimbursement thereout.
- Transfers of Shares must be registered
- Dividends how remitted.
- Unclaimed



**Dividend.** Dividend Account within seven days from the date of expiry of thirty days from the date of declaration and Unclaimed Dividend for the period of seven years from the date they first become due for payment shall be credited to the Investor Education and Protection Fund."

(Altered by the company at its 46th Annual General Meeting held on 23rd August, 2008.)

**Dividend and call together.** 182. Any General Meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the members, be set off against the calls.

**Set-off allowed**

#### CAPITALIZATION

**Capitalization.** 183. (1) Any General Meeting may resolve that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from realisation and where permitted by law from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalised:-

- (a) by the issue and distribution as fully paid up shares of the Company; or
- (b) by crediting shares of the Company which may have been issued to and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

Provided that the amounts standing to the credit of the share premium account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

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

(3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve, Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1) (b) above; provided that no such distribution or payment shall be made unless recommended by the Directors and, if so



recommended, such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.

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

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

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

Capitalization in respect of partly paid paid up shares

#### ACCOUNTS

185. (1) The Company shall keep at its registered office proper books of account with respect to :-
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place.
  - (b) all sales and purchases of goods by the company; and
  - (c) the assets and liabilities of the company;

Books of Account to be kept.

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

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

(3) All the aforesaid books shall give a fair and true view of the



affairs of the Company or of its branch office, as the case may be, with respect to the matters aforesaid, and explain its transactions.

(4) The Books of account shall be open to inspection by any Director during business hours.

**Books of Account to be preserved**

186. The books of account of the Company relating to a period of not less than eight years immediately preceding the current year shall be preserved in good order.

**Inspection by members of accounts and books of the Company.**

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

**Statement of accounts to be furnished to General Meeting.**

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

**Balance Sheet and Profit and Loss Account.**

189. (1) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the Forms set out in Parts I and II respectively of Schedule VI of the Act, or as near thereto as circumstances admit.

(2) There shall be annexed to every Balance Sheet a statement showing the bodies corporate (indicating separately the bodies corporate in the same group, within the meaning of Section 372(11) of the Act) in the shares of which investments have been made by it (including all investment, whether existing or not made subsequent to the date as at which the previous Balance Sheet was made out) and the nature and extent of the investments so made in each body corporate.

(3) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 and other applicable provisions of the Act.

(4) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

190. (1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Managing Directors and by not less than two other Directors of the Company.

(2) Provided that when only one Director is for the time being in India, the Balance Sheet and Profit and Loss Account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss Account a Statement signed by him explaining the reason for non-



compliance with the provisions of Clause (1) above.

(3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

191. The Profit and Loss Account shall be annexed to the Balance Sheet, and the Auditor's Report (including the Auditors' separate, special or supplementary report, if any) shall be attached thereto.

**Profit and Loss Account to be annexed and Auditor's Report to be attached to the Balance Sheet.**

192. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the state of the Company's affairs, the amount, if any, which it proposes to carry to any Reserve in such Balance Sheet, the amounts, changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

**Board's Report to be attached to Balance Sheet.**

(2) The Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its Subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.

(3) The Board shall also give the fullest information and explanations in its reports or in cases falling under the proviso to Section 222 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.

(4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board, and where he is not so authorised shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of Clauses (1) and (2) of Article 190.

(5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Clauses (1) to (3) of this Article are complied with.

193. The Company shall comply with the requirement of Section 219 of the Act.

**Right of members to copies of Balance Sheet and Auditor's Report.**

#### **ANNUAL RETURNS**

194. The Company shall make the requisite Annual Returns in accordance with Section 159 and 161 of the Act, and shall file with the Registrar three copies of the Balance Sheet and Profit and Loss Account, in accordance with Section 220 of the Act.

**Annual Returns.**

#### **AUDIT**

195. Every Balance Sheet and Profit and Loss Account of the Company shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

**Accounts to be Audited.**

196. (1) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the

**Appointment of Auditors.**



conclusion of that meeting until the conclusion of the next Annual General Meeting, and shall, within seven days of the appointment, give intimation thereof to every auditor so appointed unless he is a retiring Auditor.

(2) At any Annual General Meeting, a retiring Auditor, by whatsoever authority appointed, shall be re-appointed, unless:

- (a) he is not qualified for re-appointment;
- (b) he has given the Company notice in writing of his unwillingness to be re-appointed;
- (c) a Resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
- (d) where notice has been given of an intended resolution to appoint some person or person in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be, the Resolution cannot be proceeded with.

(3) Where at an Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.

(4) The Company shall, within seven days of the Central Government's power under Clause (3), becoming exercisable give notice of that fact to the Government.

(5) The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditor (if any) may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

(6) A Person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General meeting, unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days, before the meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act, and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this Clause shall also apply to a resolution that a retiring Auditor shall not be re-appointed.

Qualification and disqualification of Auditors.

(7) The Persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.

(8) None of the persons mentioned in Section 226 of the Act as are not qualified for appointment as Auditors shall be appointed Auditors of the Company.

Audit of Branch Offices. 197.

The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company, except to the extent to which any exemption may be granted by the Central Government in that behalf.



198. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting, except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors. **Remuneration of Auditors.**
199. (1) Every Auditor of the Company shall have the right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors. **Rights and duties of Auditors.**
- (2) All notice of, and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditors.
- (3) The Auditor shall make a Report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in General Meeting during his tenure of office, and the Report shall state whether, in his opinion and to the best of his information and according to the explanations given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view :-
- (i) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year, and
- (ii) in the case of the Profit and Loss Account, of the profit and loss for its financial year,
- (4) The Auditor's Report shall also state :-
- (a) whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
- (b) whether in his opinion, proper books of account as required by law have been kept by the Company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
- (c) whether the report on the account of any branch office audited under Section 228 by a person other than the Company's Auditor has been forwarded to him as required by clause (c) of sub-Section (3) of that Section and how he has dealt with the same in preparing the Auditor's Report;
- (d) whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns.
- (5) Where any of the matters referred to in Clause (1) and (11) of sub-section (2) of Section 227 of the Act, or in clauses (a), (b) (bb) and (c) of sub-Section (3) Section 227 of the Act or sub-clauses 4(a), (b), (c) and (d) hereof is answered in the negative or with a qualification the Auditor's Report shall state the reason for the answer.



(6) The accounts at the company shall be deemed as not having been and the auditor's report shall not state that those accounts have not been, properly drawn up on the ground merely that the company has not disclosed certain matters if:

- (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in this or any other Act, and
- (b) those provisions are specified in the Balance Sheet and Profit and Loss account of the Company.

Accounts when audited and approved to be conclusive except as to errors discovered within three months.

200. Every accounts of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.

#### DOCUMENTS AND SERVICE OF DOCUMENTS

How documents is to be served on members.

201. (1) A document (which expression for this purpose shall be deemed to include summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address, or (if he has not registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.

(2) Where a document is sent by post :-

(a) Service thereof shall be deemed to be effecting by properly addressing pre-paying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

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

(i) in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and

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

Service on members having no registered address.

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

Service on persons acquiring shares on death or insolvency of members.

203. A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to them by name, or by the title of legal representatives of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied



for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

204. Subject to the provisions of the Act and these Articles, Notice of General Meeting shall be given;
- (i) to members of the Company as provided by Article 86 in any manner authorised by Article 201 or 202 as the case may be or as authorised by the Act.
- (ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 203 or as authorised by the Act;
- (iii) to the Auditor or Auditors for the time being of the Company.
205. Subject to the provisions of the Act, any document required to be served or sent by the Company on or to the members or any of them and not expressly provided for by these presents shall be deemed to be duly served or sent if advertised once in one daily English and one daily Vernacular newspaper circulating in Bombay.
206. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which, previously to his name and address being entered on the Register, shall have been duly served on or sent to the person from whom he derives his title to such share.
207. Any notice to be given by the Company shall be signed by the Managing Director or by such Directors or Officer as the Directors may appoint and such signature may be written, printed or lithographed.
208. All notices to be given on the part of shareholders shall be left at or sent by registered post to the Registered office of the Company.
- Persons entitled to Notice of General Meetings.
- Advertisement.
- Members bound by document given to previous holders.
- Notice by the Company and signature thereto.
- Service of notices by shareholders.

#### AUTHENTICATION OF DOCUMENTS

209. Save as otherwise expressly provided in the Act or these Articles a document of proceeding requiring authentication by the Company may be signed by a Director the Managing Director or an authorised Officer of the Company, and need not be under its Seal.
- Authentication of documents and proceedings.

#### WINDING UP

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



prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in specie or kind

211. (1) If the Company shall be wound up, whether voluntarily or otherwise the liquidator may, with the sanction of a Special Resolution divide amongst the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.

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

(3) In case, any share to be divided, as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable act accordingly.

Rights of Shareholders in case of sale

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

#### SECURITY CLAUSE

Security clause.

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

#### INDEMNITY AND RESPONSIBILITY

Director's and other right of indemnity

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



(b) Subject as aforesaid, every Director, Managing director, Manager, Secretary or other Officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given him by the Court.

215. Subject to the provisions of Section 201 of the Act, no Director or Managing Director or other Officer of the Company shall be liable for the acts, receipts neglects or defaults of any other Director or Officer other for joining in any receipt or other act for confirmity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the money of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any money, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss or damage misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

Not responsible or acts of others.

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Dated this 12th day of November, 1961.

Names of Subscribers	Address, Description and occupation of Subscribers	Number of Shares taken by each Subscriber	Witness
Jayantilal R. Mehta, Son of Ranchhoddas V. Mehta	75, Bhulabhai Desai Road, Bombay-26. Industrialist.	50 Equity Shares	(Sd.) J. N. Vyas Solicitor High Court, at Bombay  (Son of Narmadashanker Prabhashanker Vyas)  110, Dr. Atmaram Merchant Road, Bombay - 2.
Hansraj Laxmidas, Son of Laxmidas Chandaramji	54, Dadyseth Agiari Lane, Bombay-2. Business	50 Equity Shares	
Devji Rattansey, Son of Rattansey Hirji	5, Naoroji gamadia Road, Bombay-26. Banker	50 Equity Shares	
Shantilal H. Shah, Son of Hiralal A. Shah	69, Netaji Subhash Road, Bombay-1. Industrialist.	50 Equity Shares	
Gordhandas Bhagwandas, Son of Bhagwandas Chatrabhuji	250, Walkeshwar Road, Bombay-6. Business.	50 Equity Shares	
Laxmikant S. Dabholkar Son of Shantaram N. Dabholkar	22, Horniman Circle, Bombay-1. Industrialist.	50 Equity Shares	
Kirpashankar M. Bhatt Son of Motiram V. Bhatt	177, Dr. D. N. Road Fort, Bombay-1. Business.	50 Equity Shares	
Dahyalal Himatram Thaker Son of Himatram Thaker	F-33, Tarabaug Estate, New Charni Road, Bombay-4. Service.	50 Equity Shares	

**CERTIFIED TRUE COPY  
FOR BALKRISHNA INDUSTRIES LIMITED**

*VRS*  
**VIPUL SHAH  
DIRECTOR & COMPANY SECRETARY**