

MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
**THE BOMBAY DYEING AND MANUFACTURING
COMPANY LIMITED**

Registered the 23rd day of August, 1879

*Re-printed on
13th February, 2020*



Form I.R.

CERTIFICATE OF INCORPORATION

Pro-27
for 895/4378
all
1640

No. 37 of 19

I hereby certify that " THE BOMBAY DYEING AND
MANUFACTURING COMPANY LIMITED " * *

* * * * *
was on 23-8-1879 Indian X of 1866
is this day incorporated under the Companies Act, 1856 (Amended 1956)
and that the Company is Limited.

Given under my hand at BOMBAY

this SEVENTH day of APRIL

One thousand nine hundred and SIXTY-ONE



J. G. GATHA
Asstt Registrar of Companies.
Maharashtra.

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

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MEMORANDUM OF ASSOCIATION
OF
THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

1. The name of the Company is **“THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED.”**
2. The Registered Office of the Company will be established in the State of Maharashtra.
3. The objects for which the Company is established are the following:-
 - I. To carry on the business of cotton spinners and doubles, wool, silk, and hemp spinners, linen manufacturers and to spin, weave and manufacture yarns, cloths, silks, woollens, and other goods.
 - II. To carry on the business of dyers, printers and bleachers of yarns, cloths, fabrics, cotton, wools, silks and other staples, fibres, and materials.
 - III. To gin, press, pack or clean cotton, wool, hemp, jute or other substances by steam or motive powers.
 - IV. To carry on the business of manufacturing drugs, chemicals, soap and perfumery.
 - V. To purchase or contract for immediate or future delivery “Kupas” raw cotton, wool, silk, hemp, jute, rags, yarns, cloths of various fibres and other fibrous articles, iron and other metals and all stores and materials, chemicals and things necessary or useful for dyeing, printing, spinning, weaving, bleaching, pressing, ginning or any other manufacturing purposes, and if deemed expedient by the Directors to sell back, or to send for sale to any part of the world all or any of the above mentioned materials, produce, articles and things.
 - VI. To sell for cash, or on credit, or to contract for the sale and future delivery of, or to send for sale to any part of the world, all or any of the produce whatsoever of the Company.
 - VII. To purchase and erect plant and machinery for the purpose of dyeing, printing, spinning, weaving, bleaching, pressing, ginning or other manufacturing purposes.
 - VIII. To purchase or accept leases of or otherwise in any manner acquire lands in any place with or without buildings thereon and whether of freehold, leasehold, underleasehold or other tenure whatsoever for all or any of the purposes of the Company including in particular but without prejudice to the generality of such purposes mills, gins, presses, houses and chawls for the accommodation of officers, clerks, workmen and other employees of the Company, office or offices, warehouse or warehouses, and depot or depots, for the storage, exhibition and display of the manufactures and goods of the Company, and so that such lands with or without buildings thereon may include lands with or without buildings thereon subject to any existing lease or underlease, and also to erect on any lands so purchased or otherwise in any manner acquired any building whether permanent or temporary and to add to, alter, adapt or improve or fit for the purpose intended and equip within and without any building so erected or any existing building for all or any of the purposes of the Company including the purpose hereinabove particularized.
 - IX. To exchange, sell, convey, lease, assign, or grant any lease or leases of any land or lands, whether freehold or leasehold or of other tenure and whether with or without buildings thereon or any other part of the immoveable property of the Company, for other land or for cash, Government securities, or securities

guaranteed by Government or for shares in joint stock manufacturing companies, or partly for one, and partly for another, or for such other property and securities as may be determined by the Company.

- X. To purchase the reversion or reversions or otherwise acquire the freehold or fee simple, of all or any part of the lands, with or without buildings thereon for the time being held under lease or for an estate less than a freehold estate by the Company.
- XI. To undertake the payment of all rent, and the performance of all covenants, conditions, and agreements contained in and reserved by any leases that may be granted or assigned to, or be otherwise acquired by the Company.
- XII. To add to, alter or enlarge, from time to time all or any of the buildings, premises and machinery, wheresoever situate, for the time being the property of the Company, and also to expend from time to time, such sums of money as may be necessary or expedient for the purposes of improving, adding to, altering, repairing and maintaining the buildings, machinery and property of the Company.
- XIII. For all or any of the purposes aforesaid, and for all other purposes of the Company, to make, draw, accept, endorse, negotiate and sell Bills of Exchange, with or without security, also to draw and endorse Promissory Notes, cheques, bills of lading, shipping documents, dock and warehouse warrants and other instruments, negotiable or otherwise, and negotiate the same; also to take and receive advances of any sum or sums of money, with or without giving security upon such terms and conditions as the Directors may deem expedient; also to advance any sum or sums of money upon or in respect of the purchase of raw materials, or of any of the articles and things hereinbefore enumerated, or of any other articles and things necessary or useful for any of the purposes of the Company, upon such terms and security as the Directors may deem expedient.
- XIV. To incur from time to time such expenses, and to lay out such sum or sums of money, as the Directors may deem expedient, for the purpose of working the mills or manufactories, or of improving or enlarging the business of the Company; from time to time to erect and fix new machinery or plant on or in any of the lands, buildings, and premises for the time being the property of the Company and from time to time to remove all or any of the machinery, plant, and stores of the Company, being in or upon any lands, buildings and premises of the Company, to other lands buildings, or premises, wheresoever situated of the Company.
- XV. To promote any company or companies for the purpose of acquiring all or any of the property, rights or liabilities of this Company or for carrying on any business which this Company is authorized to carry on or for any other purposes which may seem directly or indirectly calculated to benefit the Company or to promote or advance the interests of this Company.
- XVI. To amalgamate with and to acquire and undertake on any terms and subject to any conditions, the whole or any part of the business, property and liabilities of any person or company carrying on any business which this Company is authorized to carry on, or possessed of property suitable for the purpose of the Company.
- XVII. To invest any of the funds and monies of the Company from time to time in securities, or in shares or securities of a public or private company or in fixed deposits or by way of loans on interest to any public company or bank and from time to time to sell or vary any or all such investments and to execute all receipts and documents that may be necessary in that behalf.

- XVIII. To subscribe or guarantee money for any national, international, charitable, benevolent, educational, public, general or other useful object, activity, exhibition, or trade show or for any purpose whatsoever which may be or may appear to be conducive directly or indirectly to the furtherance of the objects of the Company or the interests of its members.
- XIX. To grant pensions or gratuities to any officers or employees or ex-officers or ex-employees of the Company or their relatives, connections or dependents or the families of any such persons and to establish, provide, maintain and support or to contribute to the establishment, provision, maintenance and support of associations, institutions, libraries, crèches, clubs and canteens for the benefit of any such persons.
- XX. To contribute to Provident Funds for the benefit of the employees of the Company, to pay bonuses and gratuities and to create, open and maintain funds for the purpose of paying from time to time such bonuses and gratuities whether compulsory or otherwise.
- XXI. To subscribe to, become a member of and co-operate with any association, whether incorporated or not or to apply the money of the Company in any way in or towards the establishment, maintenance, or extension of any association, institution, or fund whose objects are altogether or in part, similar to those of this Company or are in anywise connected with any particular trade or business, or with trade or commerce generally, including any association, institution, or fund for protection of the interests of masters, owners, or employers and for insurance against loss by bad debts, strikes, workmen's combinations, fire, accident, or otherwise.
- XXII. To purchase, take on lease or in exchange, hire or otherwise acquire any moveable property and any rights or privileges, which the Company may think necessary or expedient for the purpose of its business, and in particular inventions, privileges, monopolies, licenses, concessions or processes and the like, and any other rights or powers conferring any exclusive or non-exclusive or limited rights to use any secret or other information as to any invention available for use in connection with any of the objects of the Company.
- XXIII. To make any experiments in connection with any business of the Company and take out, or otherwise acquire, by original application or otherwise, any trade marks, letters patent or patent rights or the like, and to use, exercise, develop, grant licenses in respect of, sell, dispose of or otherwise turn to account any trademarks, patents, patent or other rights, licenses or other interests for the time being held or acquired by the Company.
- XXIV. To sell, improve, manage, develop, lease, mortgage, or otherwise dispose of, or deal with the whole or any part of the undertaking, business and property of the Company for such consideration as may be thought fit, and in particular for a rent, or rents, or shares, debentures, debenture-stock or other obligations of any other company and to promote and form any company intended to purchase, take on lease, or in anywise deal with any property or rights of the Company, or to sell anything made or produced by the Company, or which it may be considered will help the Company in its business, or in which it may be considered desirable that the Company shall be interested and to subscribe absolutely or subject to any condition or contingency for, or acquire in any way, any shares or obligations of such company.

- * XXV. To subscribe, invest in and acquire, hold or otherwise deal in any shares, stocks, debentures, debenture stock, warrants, any other financial instruments, bonds obligations and Securities issued or guaranteed by any company constituted or carrying on the business in India or elsewhere or Government, State Government, Semi Government Authorities, local Authorities, Public Sector Undertakings, Financial Institutions, Public Body, any other persons or otherwise.
- XXVI. To give all descriptions of guarantees and in particular to guarantee the principal and interest of and any premium, which may become payable on any mortgage, debentures, debenture-stock, or other obligations and the dividend on, and the return, either with or without any premium, of the capital paid on any shares.
- XXVII. To hold all or any shares or obligations acquired by the Company, or to sell or re-issue the same, with or without guarantee, or to distribute them or any other assets of this Company in kind upon a division of profits or distribution of capital among the Members, and in the case of any cash, shares or obligations, receivable upon any sale or amalgamation to arrange, in case at the time of any such sale or amalgamation the shares of this Company shall be of different classes, for the distribution of any proceeds of sale in any manner authorized by or under the provisions of the Articles of Association of the Company for the time being.
- XXVIII. To take part in the management, supervision and control of the business or operations of any company or undertaking and for that purpose to appoint and remunerate any directors, trustees, accountants or other experts or agents.
- XXIX. To enter into any arrangements for sharing profits, co-operation, joint adventure, or reciprocal concession with any other person, firm or company, carrying on or about to carry on, or engage in any business, or transaction which may seem calculated, directly or indirectly, to benefit this Company and to amalgamate with any other company and to give to any person or company special rights and privileges in connection with or control over this Company and in particular the right to nominate one or more Directors of this Company.
- XXX. To borrow and raise money for any of the purposes of the Company in any manner and on any terms approved by the Board of Directors of the Company.
- XXXI. For any purpose and in any manner and from time to time to mortgage or charge the whole or any part of the undertaking, property and rights (including property and rights to be subsequently acquired) of the Company and any money uncalled on any shares of the Capital (original or increased) of the Company, and whether at the time issued or created or not, and to create, issue, make and give debentures, debenture-stock, bonds or other obligations perpetual or otherwise, with or without any mortgage or charge on all or any part of such undertaking, property, rights, and uncalled money.
- XXXII. To remunerate any person, firm or company rendering service to this Company, whether by cash payment or the allotment to him or them of shares or securities of the Company, credited as paid up in full or in part or otherwise.
- XXXIII. To pay all preliminary expenses of any company promoted or formed by the Company, or any company in which this Company is or may contemplate being interested, including in such preliminary expenses all or any part of the costs and expenses of the owners of any business or property acquired by the Company, and to remunerate any person or company for service rendered in placing or

* Sub-clause XXV was substituted pursuant to the Special Resolution passed at the Annual General Meeting of the Company held on 21st July, 1995 and Company Law Board's Order dated 17th April, 1996.

assisting to place or subscribing or agreeing to subscribe, whether absolutely or conditionally for, or procuring or agreeing to procure, subscriptions whether absolutely or conditional, for any of the shares, debentures or debenture-stock or other obligations of or for any other services in or about the promotion of or the issue of the capital or obligations of this or any other company, or the conduct of the business of this or any other company, and to grant to any person or company subscribing, or agreeing to subscribe or procuring or agreeing to procure subscriptions as aforesaid an option to require the Company to issue to him or it, or his or its nominees for the shares in the Company at not less than par, or further debentures or debenture-stock or other obligations of the Company at any price, and also to pay any costs of winding-up any company the whole or any portion of the property of which is acquired by this Company, and also all expenses attending the issue of any circular or notice, and the printing, stamping and circularizing of proxies or forms to be filled up by the members of this Company.

- XXXIV. To lend money with or without security, and to subsidise, assist, and guarantee the payment of money by, or by the performance of any contract, engagement or obligation by any persons or companies, and in particular, customers of the Company or any persons or companies with whom the Company may have or intended to have business relations.
- XXXV. To enter into arrangements with any authority municipal, local, or otherwise, or any corporations, companies, firms, or persons that may seem conducive to the Company's objects or any of them and to obtain from any such authority, corporation, company, firm or person any contracts, rights, privileges and concessions which the Company may think desirable.
- XXXVI. To carry on any business or branch of a business which this Company is authorized to carry on by means or through the agency of any subsidiary company or companies, and to enter into any arrangement with any subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangements, which may seem desirable with reference to any business or branch so carried on, including power at any time either temporarily or permanently to close any such business or branch and to act as Managers or to appoint Directors or Managers of any such subsidiary company.
- XXXVII. To give any officers, servants or employees of the Company any share or interest in the profits of the Company's business or any branch thereof, and whether carried on by means or through the agency of any subsidiary company or not, and for that purpose to enter into any arrangements the Company may think fit.
- XXXVIII. To do anything by this Memorandum of Association authorized in any part of the world and as principals, agents, contractors, trustees, or otherwise, and by or through trustees, agents, or otherwise, and either alone or in conjunction with others.
- XXXIX. To incorporate the Company or otherwise procure the Company to be constituted, registered or recognized in accordance with the laws in force in any country in which the Company may desire to carry on business.
- XL. To issue all or any part of the capital of the Company at par or premium or as fully or partly paid up and to distribute any of the property of the Company among the members in specie, but that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.

- * XLI To undertake, carry out, promote, sponsor, or assist in the execution, and promotion of any programme of rural development including any programme for promoting the social and economic welfare of, or the uplift of, the public in any rural area, and to incur expenditure on any such programme of rural development with power to transfer, with or without consideration, or divest the ownership of, any property of the Company, to or in favour of any public or local body or authority Central or State Government, any public institution or any trust or fund recognized by State or Central Government and engaged in the programme of rural development.
- ** XLII. (a) To carry on the business of generation, transmission and distribution of electric power and in particular to construct, lay down, establish, operate, fix and carry out thermal and hydraulic power plants and stations, gas turbines and turbines of all types, cables, optic fibre, wires, lines, accumulators, lamps and works, and to generate, acquire by purchase in bulk, accumulate, distribute and supply electricity.
- (b) To carry on the business of manufacturers of and dealers in apparatus, plants, machinery and equipments of all kinds required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity.
- (c) To acquire concessions or licences for the construction and maintenance of electric installations for the production, transmission or use of electric power.
- XLIII. To carry on the business of construction of roads, bridges, tunnels, setting up of various infrastructural facilities for village, town / city developments and to carry on the business of builders and developers, contractors, dealers in and manufacturers of prefabricated and precast houses, buildings, and erections and materials, tools, implements, machinery and metalware in connection therewith or incidental thereto and to carry on any other business that is customarily, usually and conveniently carried on therewith.
- XLIV. To acquire, utilize, grow, plant, cultivate, breed, produce, to exploit any estates, properties, conveyances, vessels, or lands and to carry out researches and inventions for and with respect to floricultural, agricultural, horticultural, plantation, sericultural, aquacultural and farming purposes and agro-industrial projects and to carry on business of or as producers, millers, grinders, rollers, planters, fishing, processors, preserves, growers, cultivators, packagers, cold storers, traders, buyers and sellers, importers, agents, consultants, dealers, storekeepers and distributors and exporters for any ordinary or specialized floricultural, dairy products, poultry products, agricultural, horticultural, sericultural, aquacultural and agro-industrial products and commodities, including flowers, fruits, vegetables, foodgrains, pulses, seeds, cash crops, cereal products and flora.
- XLV. (a) To own, purchase, charter, hire, lease or otherwise acquire, sell, exchange, let or otherwise deal with, operate, trade in or with steam and other ships, boats and vessels, aircraft and other transports and conveyances of every description propelled or worked or capable

* New Clause XLI was inserted by Special Resolution of Members passed at the Annual General Meeting of the Company held on 28th August, 1978 and by Company Law Board's Order confirming alteration dated 14th March 1980. Existing Clause XLI is numbered XLII.

** New sub-clauses XLII to XLVII were inserted by Special Resolution passed at the Annual General Meeting of the Company held on 21st July, 1995 and by Company Law Board's Order confirming alteration dated 17th April, 1996. Existing clause XLII is numbered XLVIII.

of being propelled or worked, by steam, electricity, petrol, oil, gas, or any other motive power or power-producing substance, with all equipment and furniture, build steam and other ships and vessels and to employ the same in the carriage or conveyance by land, sea or air in or between any place or places or port or ports or on any seas, rivers, canals or elsewhere, of passengers, mails, troops, munitions of war, live-stock, corn and other produce and of treasure and merchandise and food, articles and goods and things of all kinds, between such ports and places in any part of the world, as may seem expedient, and to establish, maintain and work, lines of steam and other ships, air services and lines of aerial communication and other transports and conveyances between any ports, countries or places which may seem to the Company from time to time expedient, and to acquire any postal and other subsidies.

- (b) To carry on in all parts of the world, all or any of the businesses of merchants, carriers by land, water, and air, shipowners, aircraft owners, transport owners, dock owners, hanger owners, air-field owners, seaplane base owners, warehousemen, wharfingers, barge owners, lightermen, forwarding and general agents, stevedores, bunkerers and ice merchants and refrigerating store keepers, and of hotel owners and bus owners in all their respective branches in furtherance of or in connection with their business of carriers by land, sea and air and acquiring providing and maintaining the same.
 - (c) To carry on the business of shipbuilders and repairers and refitters of ships, vessels, tugs, barges, lighters and aircrafts and other transports and conveyances, and manufacturers, operators and/or repairers of engines, boilers, tackles, machinery and any parts required for ships, vessels, aircraft or other modes of conveyance like motor cars, railways and any apparatus for use in connection therewith; and generally to carry on the business of civil and mechanical engineers.
- XLVI.
- (a) To plan, establish, develop, provide, operate and maintain all types of basic and value added telecommunication services including operating / franchising public telecommunication centres, issuing telephone debit cards, issuing telephone calling cards, operating card-based public telephones, publishing telephone directories, telex, wireless, cellular, paging, data communication and the manufacture of communication equipments of all types including subscriber-end equipments, transmission equipments, public switching systems.
 - (b) To carry on all kinds of businesses of designers, manufacturers, processors, assemblers, dealers, traders, distributors, importers, exporters, agents, consultants, system designers and contractors for erection and commissioning on turnkey basis or to deal in any other manner including storing, packing, transporting, converting, repairing, installing, training, servicing, maintenance of all types, varieties and kinds of
 - i) telephony equipment, accessories and components thereof for telecommunications, basic and value added communication services and allied activities;
 - ii) equipments for maintenance of telecommunication products/ services of all types of peripheral equipments such as computers, printers, terminals, facsimile equipments;
 - iii) radio communication equipments like receivers, transmitters, transreceivers, walkie-talkie radio relay equipment, antennas

and associated equipment, single channel, multi channel, fixed frequency, variable frequency, static, mobile, airborne, shipborne equipments in HF, VHF, UHF and Microwave, spectrum, TV systems, receivers, transmitters, pattern generators and associated equipments, amplifiers, oscillators, synthesizers, waveform generating, measuring and associated equipments, sonic ultrasonic and radio frequency ranging and depth finding sonar and telemetry coding and data transmission equipment, data acquisition, processing and logging equipments, calculators, computers, mini computers and micro computers, printers, headers, display terminals, facsimile transmitting and receiving equipments and systems;

- iv) signalling, telecommunication and control equipments used in roads, railways, ships, aircrafts, ports, airports, railway stations, public places and in generation, transmission and distribution of electric power, along with associated accessories and test rigs;
 - v) instruments, testing equipments, accessories for repairs, maintenance, calibration, and standardization of all the above items in laboratories, service centres, processing plants, manufacturing plants and at customers' places.
- (c) To plan, establish, develop, provide and operate/franchise video conferencing centres, providing private net-work services, providing enhanced electronic communication services including on-line data base services, public data net-works, electronic messaging services like E-Mail, remote computing facilities, fax store-and-forward services, satellite-based services using very small to ultra small aperture terminals, encryption and coding services for data, voice and video transmission, voice-mail services, broadcasting equipments, microphones, amplifiers, loudspeakers and telegraphic instruments and equipments and purchase, sell, import, export, repair, renew and deal in all or any of the equipments and parts of the same and also to manufacture the parts and accessories of the said instruments and articles.
- XLVII. (a) To carry on and undertake the business of finance, making loans or advances, investment, merchant bankers, underwriters.
- (b) To carry on the business of leasing and hire purchase, finance and to provide on lease or on hire purchase all types of industrial and office plant, equipment, appliances and apparatus, machinery, vehicles, land and buildings.
- XLVIII. And generally to do all such other things as are incidental or conducive to the attainment of the above objects or any of them. And it is hereby declared that the word "Company" in this clause except where used in reference to this Company shall be deemed to include any partnership or other body of persons, whether corporate or incorporate and whether domiciled in British India or elsewhere, and that the objects specified in the different paragraphs of this clause shall, except where otherwise expressed in such paragraphs, be in no wise limited by reference to this paragraph or the name of the Company, but may be carried out in as full and ample a manner, and shall be construed in as wide a sense as if each of the said paragraphs defined the objects of a separate distinct and independent company.
4. The liability of the shareholders is limited.

- *5 The Authorized Share Capital of the Company is Rs. 1,06,00,00,000 (Rupees One Hundred and Six Crores) divided into 51,00,00,000 (Fifty One Crore) equity shares of the face value of Rs. 2/- (Rupees Two) and 4,00,000 (Four Lakh) preference shares of the face value of Rs. 100/- (Rupees Hundred) each with the power to increase or reduce the capital, to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred or special rights, privileges, or conditions as may be determined by or in accordance with the regulations of the Company to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

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- * i) Clause 5 of the Memorandum of Association was substituted by the Special Resolution No.I passed at the Extraordinary General Meeting of the Company held on 5th March, 1979.
- ii) Clause 5 of the Memorandum of Association was amended by the Special Resolution No.9 passed at the Annual General Meeting of the Company held on 28th May, 1986
- iii) Clause 5 of the Memorandum of Association was amended by the ordinary Resolution No.14 passed at the Annual General Meeting of the Company held on 22nd August, 1988.
- iv) Clause 5 of the Memorandum of Association was amended by Ordinary Resolution No.2 passed through Postal Ballot on 18th October, 2012.
- v) Clause 5 of the Memorandum of Association was amended pursuant to Order of National Company Law Tribunal, Mumbai Bench dated 20th June, 2017 in the matter of Amalgamation of Archway Investment Company Limited with the Company.
- vi) Clause 5 of the Memorandum of Association was amended pursuant to Order of National Company Law Tribunal, Mumbai Bench dated 21st February, 2019 in the matter of Scheme of Arrangement between Scal Services Limited and The Bombay Dyeing and Manufacturing Company Limited.

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

Names of first Shareholders	No. of Shares Subscribed
DINSHAW MANOCKJEE PETIT, ESQR.	20
JOHN S. ALSTON, ESQR.	25
NOWROSJEE N. WADIA, ESQR.	18
WILLIAM REID, ESQR.	25
FRAMJEE DINSHAW PETIT, ESQR.	5
BOMANJI DINSHAW PETIT, ESQR.	5
SORABJEE NUSSERWANJI WADIA, ESQR.	2
Total	100 Shares

Dated this 19th day of July 1879.

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED

1. No regulations contained in Table A, in the First Schedule to the Companies Act, 1956, or in the Schedule to any previous Companies Act, shall 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 with reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

Table A not to apply but company to be governed by these Articles

INTERPRETATION

2. (1) In the interpretation of these Articles, unless repugnant to the subject or context:

Interpretation Clause.

“The Company” or “this Company” means The Bombay Dyeing and Manufacturing Company Limited.

“The Company” or “this Company”

“The Act” means “the Companies Act, 1956”, or any statutory modification or re-enactment thereof for the time being in force.

“The Act.”

“Directors” means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.

“Directors.”

“Dividend” includes bonus.

“Dividend.”

“Extraordinary General Meeting” means an extraordinary general meeting of the Members duly called and constituted and any adjourned holding thereof.

“Extraordinary General Meeting”

“General Meeting” means a meeting of members.

“Meeting” or “General Meeting.”

“Month” means a calendar month.

“Month.”

“Office” means the registered office for the time being of the Company.

“Office.”

“Proxy” except in Article 106 means an instrument whereby any person is authorized to vote for a Member at a General Meeting or Poll.

“Proxy.”

“Persons” includes corporations and firms as well as individuals.

“Persons”

“Register of Members” means the Register of Members to be kept pursuant to the Act.

“Register of Members.”

“Seal” means the Common Seal for the time being of the Company.

“Seal.”

“Written” and “In Writing” include printing, lithography and other modes of representing or reproducing words in a visible form.

“Written” and “In writing.”

“Year” means from 1st January to the 31st December both days inclusive.

“Year.”

“Singular Number.”	Words importing the singular number include, where the context admits or requires, the plural number and vice versa.
“Gender.”	Words importing the masculine gender also include the feminine gender.
	(2) The marginal notes used in these Articles shall not affect the construction hereof.
	(3) Save as aforesaid, words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Amount of Capital	* 3. The Authorized Share Capital of the Company is Rs. 1,06,00,00,000 (Rupees One Hundred and Six Crores) divided into 51,00,00,000 (Fifty One Crore) equity shares of the face value of Rs. 2/- (Rupees Two) and 4,00,000 (Four Lakh) preference shares of the face value of Rs. 100/- (Rupees Hundred) each.
Increase of capital by the Company and how carried into effect.	4. The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the 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 with a right of voting at general meetings of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Company shall comply with the provisions of Section 97 of the Act.
How far new shares to rank with shares in original capital.	5. Except so far as otherwise provided by the conditions of issue or by these Articles any capital raised by the creation of new shares shall be considered as part of the original capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Power to issue shares with differential rights as to dividend, voting or otherwise.	** 5A. Subject to the provisions of the Act, and all other applicable provisions of law, the Company may issue shares, either equity or any other kind, with differential rights as to dividend, voting or otherwise in accordance with such rules and subject to such conditions as may be prescribed and the resolutions authorizing such issue shall prescribe the terms and conditions of the issue.
Redeemable Preference Shares.	6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

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- * i) Article 3 as substituted by Special Resolution No. II passed at the Extraordinary General Meeting of the Company held on 5th March, 1979
- ii) Article 3 as amended by the Special Resolution No. 10 passed at the Annual General Meeting of the Company held on 28th May, 1986
- iii) Articles 3 as amended by the Special Resolution No.15 passed at the Annual General Meeting of the Company held on 22nd August, 1988
- iv) Article 3 of the Articles of Association amended by Special Resolution No.3 passed through Postal Ballot on 18th October, 2012.
- v) Clause 3 of the Articles of Association amended pursuant to Order of National Company Law Tribunal, Mumbai Bench dated 20th June, 2017 in the matter of Amalgamation of Archway Investment Company Limited with the Company.
- vi) Clause 3 of the Articles of Association amended pursuant to Order of National Company Law Tribunal, Mumbai Bench dated 21st February, 2019 in the matter of Scheme of Arrangement between Scal services Limited and The Bombay Dyeing and Manufacturing Company Limited.

** New Article 5A was inserted by special resolution passed at the Annual General Meeting of the Company held on 3rd August, 1998.

7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof, the following provisions shall take effect:
- Provisions applicable on issue of Redeemable Preference Shares.
- (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 purpose of the redemption;
 - (b) no such shares shall be redeemed unless they are fully paid;
 - * (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Securities Premium Account before the shares are redeemed;
 - (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserves 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 the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
- **8. The Company may (subject to the provisions of Sections 78, 80, 100 to 105 inclusive, of the Act) from time to time by Special Resolution, reduce its capital, any Capital Redemption Reserve Account or Securities Premium Account in any manner for the time being authorized by law, and, in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any other power the Company would have if it were omitted
- Reduction of Capital
9. Subject to the provisions of Section 94 of the Act, the Company in general meeting may, from time to time, by Ordinary Resolution subdivide or consolidate its shares, or any of them. Subject as aforesaid, the Company in general meeting may also cancel shares which 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.
- Subdivision, consolidation and cancellation of shares.
10. Whenever the capital, by reason of 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, be modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of that class.
- Modification of rights.

SHARES AND SHARE CERTIFICATES

11. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country.
- Register and Index of Members.

* Article 7 (c) as amended by the Special Resolution No. 1 passed at the Extraordinary General Meeting of the Company held on 24th April 2002.

** Article 8 as amended by the Special Resolution No. 1 passed at the Extraordinary General Meeting of the Company held on 24th April 2002

Shares to be numbered progressively and no share to be subdivided.

Further issue of capital.

12. The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

13. (a) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, 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 these shares at that date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company.

(b) Notwithstanding anything contained in the preceding subclause, the Company may:-

(i) by a special resolution; or

(ii) 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 this behalf, that the proposal is most beneficial to the Company,

offer further shares to any person or persons, and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.

(c) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to Section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

Shares under control of Directors.

14. Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors; who may allot or otherwise dispose of the same to such persons in such proportion, on such terms and conditions, and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount and such option being exercisable within such time and for such consideration as the Directors think fit. The Company shall cause to be filed the returns as to allotment provided for in Section 75 of the Act.

Power also to Company in general meeting to issue shares.

15. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 13 and 14, the Company in general meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, as such general meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company, either (subject to compliance with the

provisions of Sections 78 and 79 of the Act) at a premium or at par or 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.

16. Any 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 shares and whose name is on the Register shall, for the purposes of these Articles, be a Member.

Acceptance of shares.

17. The money (if any) which the Board 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 call etc. to be a debt payable immediately.

18. Every member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with these articles, require or fix for the payment thereof.

Liability of Members.

19. (a) Every member or allottee of shares shall be entitled, without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors, or persons acting on behalf of the Directors under a duly registered power of attorney, and the Secretary or some other person appointed by the Board for the purpose; and two directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits it, at least one of the aforesaid two Directors shall be a person other than a Managing or a whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.

Share Certificates.

(b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to the person first named of such joint owners shall be sufficient delivery to all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 113 of the Act.

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

20. (1) Every share certificate shall be issued subject to the provisions of the Act, and in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, or any amendment thereof for the time being in force.

Renewal of Share Certificates.

(2) So long as the shares of the Company are listed on the Stock Exchange of Bombay, the Company shall also comply with the terms and conditions of any agreement it may have entered into with the Stock Exchange.

The First named of joint-holders deemed sole holder.

21. If any share stands in the names of two or more persons, the person first named in the Register shall as regards receipt of dividends or bonus or service or notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally, as well as jointly, liable for the payment of all installments and calls due in respect of such share and for all incidents thereof according to the Company's articles.

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

22. Except as ordered by a Court of competent jurisdiction, or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivors or survivors of them. The Company shall comply with the provision of Section 187C of the Act.

Purchase by Company of its own shares.

23. Except as provided by Section 77 of the Act, none of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company.

Power of the Company to buy back its own securities.

* 23A. Notwithstanding anything contained in these Articles, the Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase or buy back its own shares or securities whether or not they are redeemable and may pay out of its capital for such purchase or buy-back.

UNDERWRITING AND BROKERAGE

Commission may be paid.

24. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed in the case of shares five percent of the price at which the shares are issued, and in the case of debentures, two and a half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

Brokerage.

25. The Company may pay a reasonable sum for brokerage.

CALLS

Directors make calls.

26. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.

Notice of calls.

27. Two months' notice at the least of any call shall be given by the Company by advertisement in one English and one vernacular daily newspaper and in writing sent to the respective registered addresses of the Members through the post specifying the time and place of payment and to whom such call shall be paid.

Calls to date from resolution.

28. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board.

* New article 23A was inserted by special resolution passed at the Annual General Meeting of the company held on 3rd August, 1998.

29. A call may be revoked or postponed at the discretion of the Board. Calls may be revoked.
30. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof. Joint-holders liability for paying calls.
31. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension save as a matter of grace and favour. Extension of time for calls.
32. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member. Calls to carry interest.
33. Any sum, which may by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified. Sums deemed to be calls.
34. On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on 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 to the member or his representatives sued in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, not that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt. Proof on trial of suit for money due on shares.
35. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided. Partial payment not to preclude forfeiture.
36. (a) The Board may, if it things fit, agree to and receive from any member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time an amount so advanced or may at any time repay the same upon giving to the member three months' notice in writing. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits. Payment in anticipation of calls may carry interest.
- (b) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

LIEN

Company to have
lien on shares.

37. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interest in any shares shall be created except upon the footing and upon the condition that Article 22 hereof is to have full effect. 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.

As to enforcing
lien by sale.

38. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their number to execute a transfer thereof on behalf of and in the name of such member. 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 his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice. A sale of share for enforcing a lien may be effected in the manner described in Article 49.

Application of
proceeds of sale.

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

FORFEITURE OF SHARES

If money payable
on share not paid,
notice to be given
to Member.

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

Form of Notice.

41. The notice shall name a further day (not being less than twenty eight days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.

In default of
payment, shares to
be forfeited.

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

Notice of
forfeiture to a
Member.

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

Forfeited share to
be the property of
the Company and
may be sold, etc.

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

45. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine, and the Board may enforce the payment thereof, if it things fit. Member still liable to pay money owing at time of forfeiture and interest.
46. A duly verified declaration that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Evidence of forfeiture.
47. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. Validity of sale under Articles 38 and 44.
48. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto. Cancellation of share certificates in respect of forfeited shares.
49. The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. Power to annul forfeiture.
50. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. Provision of forfeiture in other Cases.

DEMATERIALISATION OF SECURITIES

- * 50A (A) For the purposes of this Article, unless the context otherwise requires: Dematerialisation of Securities
- “beneficial owner” means a person whose name is recorded as such with a depository; Beneficial owner
- “SEBI Board” means the Securities and Exchange Board of India; SEBI Board
- “bye-laws” means bye-laws made by a depository under Section 26 of the Depositories Act, 1996; Bye-laws
- “Depositories Act” means the Depositories Act, 1996 (22 of 1996) including any statutory modification or re-enactment thereof for the time being in force; Depositories Act.
- “depository” means a company formed and registered under the Companies Act, 1956 (1 of 1956) and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Depository
- “record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by the SEBI Board; Record
- “regulations” means the regulations made by the SEBI Board; Regulations
- “security” means such security as may be specified by the SEBI Board. Security

* New Article 50A was Inserted by special resolution passed at the Annual General Meeting of the Company held on 4th September 1997.

Dematerialization of securities	(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository.	(C) Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository. Where a person opts to hold a security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that security.
Securities in depositories to be in fungible form.	(D) All securities held by a depository shall be dematerialized and shall be in a fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
Rights of depositories and beneficial owners.	(E) (1) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner. (2) Save as otherwise provided in (1) above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it. (3) Every person holding equity share capital of the Company and whose name is entered as 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 be subjected to all the liabilities in respect of the securities held by a depository.
Depository to furnish information	(F) Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Option to opt out in respect of any security.	(G) If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the depository accordingly. The depository shall on receipt of intimation as above make appropriate entries in its records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.
Sections 83 and 108 of the Act not to apply.	(H) Notwithstanding anything to the contrary contained in the Articles, (1) Section 83 of the Act shall not apply to the shares held with a depository. (2) Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.
Register and Index of beneficial owners.	(I) The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act shall be deemed to be an Index of Members and Register and Index of Debentureholders as the case may be for the purposes of the Act.

TRANSFER & TRANSMISSION OF SHARES

51. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share. Register of Transfers.
52. The Instrument of Transfer shall be in writing and all the provisions of Section 108 of the Act shall be duly complied with in respect of all transfers of shares and the registration thereof. Instrument of Transfer.
53. The Instrument of Transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every Instrument of Transfer after it is entered by the Company in its Register of Members shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the shares must be delivered to the Company. Instrument of Transfer to be completed and presented to the Company.
54. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situate to close the Transfer Books, the Register of Members or Register of Debenture-holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year. Transfer books and Register of Members when closed.
- * 55. (1). Subject to the provisions of Section 111 of the Act the Board may at its discretion decline to register or acknowledge any transfer of shares, whether fully paid or not (notwithstanding that the proposed transferee be already a member), but in such cases it shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal, provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.
- (2). Subject to the provisions of Section 154 of the Act and Article 54 of these Articles, the Registration of Transfers may be suspended at such times and for such periods as the Board may from time to time determine.
56. Where, in the case of partly-paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act. Notice of application when to be given.
57. In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Death of one or more joint-holders of shares.
- ** 58. In the absence of a nomination recorded in accordance with Section 109A of the Act, which shall in any event have precedence, the executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executive or administrators or holders of a Title to shares of deceased member

* Article 55(1) as amended by Special Resolution No.8(A) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

** Article 58 as amended by Special Resolution No.12 passed at the 120th Annual General Meeting of the Company held on 8th August 2000.

Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 61 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.

No transfer to infant etc.

59. No share will in any circumstances be transferred to any minor, insolvent or person of unsound mind.

Compliance with Estate Duty Act, 1953.

60. (1) If any Member of the Company dies, the Company shall furnish to the Estate Duty authorities the particulars required by Section 84 of the Estate Duty Act, 1953, and the Rules made thereunder.

(2) The Company shall not register the transfer of any share of such deceased shareholder, except as stated in the aforesaid Section. But this provision shall not apply to joint-holdings covered by Article 57.

Registration of persons entitled to shares otherwise than by transfer.

61. Subject to the provisions of the Act and Articles 57 and 58, any person becoming entitled to shares in consequences of the death, lunacy, bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it 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 such title as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some persons nominated by him and approved by the Board registered as such holder; 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.

Transfer to be presented with evidence of title.

62. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by the scrip and by such evidence as the Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Directors shall from time to time prescribe and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Directors.

Person entitled may receive dividend without being registered as member.

63. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share. A person so entitled shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to the Meetings of the Company.

Fee on transfer or transmission.

64. (1) The Directors shall have discretion (which they may exercise from time to time and for any period of time) not to charge any fee in respect of the transfer or transmission of a share.

(2) Subject as above, a fee not exceeding 25 paise per share may be charged in respect of the transfer or transmission to the same party of any number of shares of any class, 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 single fee payable on any one transfer or one transmission of any number of shares of one class, or may be on a graduated scale varying with the number of shares comprised in one transfer or transmission, or may be fixed in any other manner as the Directors in their discretion may determine, generally or in any individual case.

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

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

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

Copies of Memorandum and Articles of Association to be sent by the Company.

BORROWING POWERS

67. Subject to the provisions of Sections 292 and 293 of the Act, the Board may, from time to time, at its discretion by a resolution passed at a meeting of the Board, accept deposits loans temporary or on call from shareholders or from the public either in advance of calls or otherwise and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such moneys without the consent of the Company in General Meeting.

Power to borrow.

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

Compliance regarding Fixed Deposits.

69. Subject to the provisions of Article 67 hereof the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Special Resolution shall prescribe, including by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being; and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Payment or repayment of moneys borrowed.

70. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares and attending but not voting at general meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting accorded by a Special Resolution.

Term of issue of Debentures.

71. If any uncalled capital is included in or charged by any mortgage or other security, the Directors may, by instrument under the Company's Seal, authorize 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

Mortgage of uncalled capital.

or unconditionally and either presently or contingently and either to the exclusion of the Directors' powers or otherwise, and shall be assignable if expressed so to be.

Form of securities.

72. Any debenture or other instrument issued by the Company for securing the payment of moneys may be so framed that the moneys thereby secured shall be assignable free from any equities between the Company and the person to whom the same may be issued.

Authority to make calls.

73. If any uncalled share capital or any future share capital of the Company is included in or charged by any mortgage or other security, the Directors may by deed under the Seal authorise the person in whose favour such mortgage or security is executed or any trustee for him, to make calls on the Members in respect of such uncalled or future share capital, and such authority may be made exercisable either presently or contingently and either conditionally or unconditionally in exclusion of the Directors' powers or otherwise and the provisions in regard to calls hereinbefore contained shall, mutatis mutandis, apply to calls made or to be made on such authority and such authority shall be assignable, if expressed so to be.

Closing of Register of Debentures. Inspection of same.

74. Every Register of holders of Debentures and Debenture-Stock of the Company may be closed for any period or periods not exceeding in the whole thirty days in any year. Subject as aforesaid, every such register shall be open to the inspection of the registered holder of any such Debentures and Debenture-Stock and of any Member, but the Company may in General Meeting impose any reasonable restrictions, so that at least two hours in each day when such register is open are appointed for inspection.

Register of Mortgages etc. to be kept.

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

Register and Index of Debenture holders.

76. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any State or country outside India a branch Register of Debenture-holders resident in that State or country, and the provisions of Section 157 and 158 of the Act shall be complied with.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION.

Shares may be converted into stock.

77. The Company in general meeting may convert any paid-up shares into stock; and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid-up shares of any denomination.

Right of Stock-holders.

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

MEETINGS OF MEMBERS

Annual General Meeting.

79. The Company shall hold its Annual General Meetings at the intervals, and in accordance with the provisions, specified in Section 166 of the Act. At Annual General Meetings, apart from the ordinary business usually transacted at such meetings, any special

business may also be transacted when intimation thereof has been duly given in the Notice convening the Annual General Meeting.

80. All General Meetings other than Annual General Meetings, shall be called "Extraordinary General Meetings". The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.

Extra-ordinary
General Meeting.

81. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists.

Requisition of
members to state
object of meeting.

82. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionist, or such of their number 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 Section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case, any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

On receipt of
requisition,
Directors to
call meeting
and in default
requisitionists
may do so.

83. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meeting are to be called by the Board.

Meeting called by
requisitionist.

84. (1) Twenty-one days' notice at the least shall be given in accordance with Sections 171 and 172 of the Act, of every General Meeting, Annual or Extraordinary, and by whomsoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, and shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in case of any other meeting, with the consent of members holding not less than 95 percent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice.

Twenty-one day's
notice of meeting
to be given.

(2) In the case of an Annual General Meeting, if any business other than (i) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring, (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other meeting, in any event, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including, in particular, the nature of the concern or interest, if any, therein of every Director, and the Manager (if any). Where any such item of special business relates to, or affects any other company, the extent of share-holding interest in other company of every Director and the Manager, (if any), of the Company shall also be set out in the 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. Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

85. Every notice of a General Meeting shall specify the place, and the day and hour of the meeting, and shall contain a statement of the business to be transacted thereat. The notice shall be given to the persons, and served in the manner, prescribed in Section 172 of the Act. The accidental omission to give notice to, or the non-receipt of the notice by, any

Omission to
give notice not
to invalidate a
resolution passed.

member or other person to whom it should be given, shall not invalidate the proceedings at the Meeting.

Meeting not to transact business not mentioned in notice.

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

Quorum at General Meeting.

87. Five members present in person shall be quorum for a General Meeting.

Body corporate deemed to be personally present.

88. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.

If quorum not present, meeting to be dissolved or adjourned.

89. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, be meeting, if convened by or upon the requisition of members, shall stand dissolved, but in any other case, the meeting shall stand adjourned to the same day in the next week or, if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place, or to such other day and at such other time and place in the city or town in which the office of the Company is for the time being situate, as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

Chairman of General Meeting.

90. The Chairman of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the chair, then the Vice-Chairman shall be entitled to take the chair and failing him the Members present may choose one of the Directors to be the Chairman of the Meeting. If no director be present or if all the directors present decline to take the chair, then the Members present shall elect one of their number to be Chairman.

Business confined to election of Chairman while chair vacant.

91. No business shall be discussed at any General Meeting except the election of a Chairman, while the chair is vacant.

Chairman with consent may adjourn meeting.

92. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place in Bombay, but no business shall be transacted at any adjourned meeting other than the business left un-finished at the meeting from which the adjournment took place.

* 93. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman of the Meeting or by any member or members present in person or by proxy and holding not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum of not less than Rs.50,000 has been paid up, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

* Article 93 as amended by Special Resolution No.8(B) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

94. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

Chairman's casting vote.

95. If a poll is demanded as aforesaid the same shall, except as provided in Article 97 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment, or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Poll to be taken, if demanded.

96. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutineers so appointed 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. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.

Scrutineers at poll.

97. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment shall be taken at the meeting forthwith.

In what case, poll taken without adjournment.

98. The demand for a poll, except on the questions of the election of the Chairman and of an adjournment, 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 transactions of other business.

VOTES OF MEMBERS

99. No member shall be entitled to vote, either personally or by proxy, at any General Meeting or Meeting of a class of shareholders, either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has, and has exercised any right of lien.

Members in arrears not to vote.

100. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

Number of votes to which Member entitled.

101. 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.

Casting of votes by a member entitled to more than one vote.

102. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee or other legal guardian; and any such committee or guardian may, on poll vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the Meeting.

How Members non composmentis and minors may vote.

Votes of joint-members.

103. If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint-holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

Voting in person or by proxy.

104. Subject to the provisions of these Articles, votes may be given either personally or by proxy and a proxy need not be a member of the Company. A body corporate being a member may vote either by a proxy or by a representative duly authorized in accordance with Section 187 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member.

Votes in respect of shares of deceased and insolvent member.

105. Any person entitled under Article 61 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Board of his right to transfer such shares and give such indemnity (if any) as the Board may require or the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Appointment of proxy.

106. The instrument appointing a proxy shall be in writing; and shall be signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate be under its seal, or be signed by an officer or an attorney duly authorized by it.

Representation of Corporations at Meetings.

107. A body corporate which is a member of this Company may, by a resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company, or at any meeting of creditors (including holders of debentures) of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.

Proxy to vote only on a poll.

108. A member present in person shall, if he has already given a valid instrument of proxy, be entitled to vote only on a show of hands, but not on a poll, unless he revokes the instrument of proxy.

Deposit of instrument of appointment.

109. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

Form of proxy.

110. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.

Validity of votes given by proxy notwithstanding death of Member.

111. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any authority or of any 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 or insanity, revocation or transfer shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

112. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

Time for objections of votes.

(2) Any such objection made in due time shall be referred to the Chairman of the Meeting, whose decision shall be final and conclusive.

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

Chairman of the meeting to be the judge of validity of any vote.

MINUTES, AND FILING OF RETURNS AND DOCUMENTS

113. (1) The Company shall cause minutes of all proceedings of every General Meeting and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board, to be entered within the time mentioned in, and according to the requirements of, section 193 of the Act: Provided that, if Government so permits, the Company may maintain the minutes of General Meetings and of Board meetings in loose-leaf form, each page of which is serially numbered and duly initialed by the Chairman of the Meeting concerned, and get the leaves bound up at reasonable intervals and comply with such terms and conditions as Government may lay down in this behalf.

Minutes of General Meetings and inspection thereof by Members.

(2) Minutes of meetings kept in accordance with the provisions of sub-clause (1) of this Article, shall be evidence of the proceedings recorded therein.

(3) The book containing the minutes of the proceedings of any General Meeting, shall be kept at the Registered Office of the Company, and shall be open for inspection of any member as mentioned in Section 196 of the Act.

114. The Company shall file, with the Registrar, Annual Returns, within the time and containing the particulars mentioned in Section 159 of the Act, along with a certificate as required by Section 161 of the Act.

Filing of Annual Returns.

115. (1) Whether or not the Balance-Sheet and Profit & Loss Account have been laid before the Company at an Annual General Meeting, the Company shall file with the Registrar, copies of the Balance-Sheet and the Profit & Loss Account, within the time mentioned in, and according to the requirements of, Section 220 of the Act.

Filing of Balance-Sheet & Profit & Loss Account.

(2) The Company shall file with the Registrar, copies of all such resolutions and agreements as are referred to in Section 192 of the Act. They shall be filed within the time mentioned in, and according to the requirements of, that Section.

Registration of certain resolutions & Agreements.

DIRECTORS

* 116. Until otherwise determined by a General Meeting, the number of Directors shall not be less than five or more than seventeen inclusive of the Debenture Director and Nominee Director.

Number of Directors.

117. The Board shall have power at any time and from time to time to appoint an Additional Director or Directors.

Additional Directors.

Provided that such Additional Director shall hold office only up to the date of the next Annual General Meeting of the Company.

Provided further that the number of Directors and Additional Directors together shall not exceed the maximum strength fixed for the Board by the Articles.

118. (1) The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence from the State of Maharashtra where such absence is for a period of not less than three months.

Appointment of Alternate Director.

* Article 116 as amended by the Special Resolution No. 12 passed at the Annual General Meeting of the Company held on 1st August, 1994.

(2) 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.

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

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

Debentures
Directors.

119. During such time as the Company has issued Debentures and pursuant to the Debenture Trust Deed a right has been given to any person or persons to nominate a Director on the Board, then in the case of any and every such issue of Debentures the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. The Director appointed under this Article is hereinafter referred to as "Debenture Director".

Nominee Director.

120. (1) Notwithstanding anything to the contrary contained in the Articles and subject to the provisions of the Act, so long as any moneys remain owing by the Company to the Industrial Credit and Investment Corporation of India Limited or any financial institution or any other authority of State or institution (referred to in this Article as "financial institution") out of any loan granted by any such financial institution to the Company, or so long as any such financial institution continues to hold shares / debentures in the Company as a result of underwriting or direct subscription of any other manner whatsoever, and the terms of such loan or underwriting or direct subscription or debentures give a right to such financial institution to appoint a Nominee Director on the Board then in any such case – such financial institution shall have a right from time to time to appoint their nominee as a Director (hereinafter described as "Nominee Director") on the Board of the Company and to remove from such office any person so appointed and to appoint any other person in his place.

(2) The Board of Directors of the Company shall have no power to remove from office the said Nominee Director.

(3) The said Nominee Director shall not be required to hold qualification shares, if any, in the Company, nor shall he be liable to retirement by rotation.

(4) Save as aforesaid, the said Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

Directors' power
to fill casual
vacancies.

121. (1) If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire in the normal course, the resulting vacancy may be filled by the Board at a meeting of the Board.

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

No share
qualification for
Directors.

122. A Director shall not be required to hold any share qualification.

* 123 (1) The remuneration of a director shall be Rs.1,000 per Meeting of the Board or any Committee thereof attended by him or such higher sum as may from time to time be fixed by the Board within the limit prescribed by the Central Government pursuant to the provisions of the Act from time to time. The Directors may also be paid a commission on net profit in accordance with the provisions of Section 309(4) of the Act.

* Article 123 as amended by the Special Resolution No.16 passed at the Annual General Meeting of the Company held on 22nd August, 1988.

123(1A)(i) The Board may allow and pay to any Director such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fees for attending any Meetings of the Board or Committees thereof, or otherwise as may be properly incurred by him in connection with the business of the Company.

(ii) Subject to the provisions of the Act, when any Director is called upon to perform any extra services or make special exertions or efforts (which expression shall include the work done by a Director as a member of any Committee of the Board), the Board may arrange to pay such special remuneration for the extra services or special exertions or efforts either by way of a fixed sum or otherwise as determined by the Board and such remuneration may either be in addition to or in substitution of his remuneration elsewhere specified in the Articles.

124. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by Article 116 hereof, the continuing Directors not being less than two, may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting, but for no other purpose.

Directors may act notwithstanding any vacancy.

125. (1) The Company may, by Ordinary Resolution, remove a Director (not being a Debenture Director or a Nominee Director) before the expiry of his period of office, and may appoint another Director in his stead. Special notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody in his stead. The provisions of Section 284 of the Act shall, in all respects be complied with in respect of the removal of a Director.

Removal of Director.

(2) A person appointed a Director in stead of a Director removed under this Article shall hold office until the date up to which his predecessor would have held office if he had not been removed. If the vacancy caused by the removal is not filled in by the Company in General Meeting, it may be filled by the Board as a casual vacancy under Article 121.

126. Subject to Sections 283(2) and 314 of the Act, the office of a Director shall become vacant if:-

When office of Directors to become vacant.

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudicated an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) 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 date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
- (e) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or
- (f) he becomes disqualified by an order of the Court under Section 203 of the Act; or
- (g) he is removed in pursuance of Section 284; or
- (h) 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

- (i) he acts in contravention of Section 299 of the Act; or
- (j) he is convicted by a Court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
- (k) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
- (l) he resigns his office by a notice in writing addressed to the Company or to the Board of Directors and such resignation is accepted by the Board; or
- (m) being a Debenture Director, his appointment is cancelled or withdrawn by the person or persons in whom for the time being is vested the power under which he was appointed; or
- (n) being a Whole-time Director (but not a Managing Director or a Joint Managing Director) or holding any office or any employment under the Company, he ceases to hold such office or his appointment or his employment is terminated due to any reason whatsoever.

Director may contract with Company.

127. (1) A Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or director, may enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that the sanction of the Board is obtained before or within three months of the date on which the contract is enforced in accordance with Section 297 of the Act.

(2) No sanction shall, however, be necessary for ---

- (a) any purchase of goods and materials from the Company, or the sale of goods or materials to the Company, by any such 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, where the value of the goods and materials or the cost of such services does not exceed Rs.5,000/- in the aggregate in any year comprised in the period of the contract or contracts.

Provided that in circumstances of urgent necessity, a Director, relative, firm, partner or private company as aforesaid may without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds Rs.5,000/- in the aggregate in any year comprised in the period of the contract if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.

Disclosure of interest.

128. (1) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act.

General Notice of Interest.

(2) A General Notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall

be deemed to be a sufficient disclosure of concern or interest in relating to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof, shall be of effect unless it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(3) Provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other company.

129. No Director shall as a Director take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall apply to ----

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

- (a) any contract of indemnity against any loss which the Directors or any one or more of them, suffer by reason of becoming or being sureties or a surety for the Company;
- (b) the contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of public company in which the interest of the Director consists solely:
 - (i) in his being ----
 - (a) a director of such company, and
 - (b) 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
 - (ii) in his being a member holding not more than 2% of its paid-up share capital.

130. The Company shall keep a Register in accordance with Section 301 (1) and shall within the time specified in section 301 (2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the bodies corporate and firms of which notice has been given by him under Article 128. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.

Register of contracts in which Directors are interested.

131. A Director may be or become a director of any company promoted by the Company or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such company except in accordance with the provisions of the Act.

Directors may be directors of companies promoted by the Company.

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

Retirement and rotation of Directors.

133. The Managing Director or the Managing Directors (in which expression shall be included a Joint Managing Director) the Nominee Director and the Debenture Director,

Non-rotational Directors.

shall not be bound to retire by rotation of Directors nor shall they be taken into account in determining the rotation of retirement of Directors.

Ascertainment of Directors retiring by rotation and filling of vacancies.

134. The Directors to retire by rotation under Article 132 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between those 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.

Eligibility for re-election.
Company to appoint successors.

135. A retiring Director shall be eligible for re-appointment.

136. Subject to Sections 258 and 259 of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

Provision in default of appointment

137. (a) 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 until the same day in the next week, at the same time and place.

(b) 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 reappointed at the adjourned meeting, unless---

- (i) at that meeting or at the previous meeting the resolution for the reappointment of such Director has been put to the meeting and lost;
- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or
- (v) the proviso to subsection (2) of Section 263 of the Act is applicable to the case.

Company may increase or reduce the number of Directors.

138. Subject to Section 259 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Notice of candidate for office of Director except in certain cases.

* 139. No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, along with a deposit of Rs.500 (Rupees Five Hundred only) 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.

Consent of candidate for Directorship.

140. (1) Every person (other than a director retiring by rotation or otherwise, or a person who has left at the office of the Company a notice under Section 257 of the Act 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, the consent in writing to act as a Director, if appointed.

(2) A person other than a Director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director,

* Addition to Article 139 as amended by Special Resolution No.8(C) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

141. The Company shall keep at its office a Register containing the particulars of its Directors, Managing Directors, Managers, Secretaries and other persons mentioned in Section 303 of the Act, and shall send to the Registrar a return in duplicate and also send a notification in duplicate of any changes, within thirty days and shall in all respects comply with the provisions of Section 303 and 304 of the Act.

Register of Directors etc. and notification of change to Registrar.

142. The Company shall in respect of each of its Directors also keep at its office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

Register of shares or debentures held by Directors.

143. Every Director (including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company, shall within twenty days of his appointment or as the case may be relinquishment of any of the above offices in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act and shall in all respects comply with the provisions of Section 305 of the Act.

Disclosure by Director of appointment to any other body corporate.

144. Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of the Section and shall in all respects comply with the provisions of Section 308 of the Act.

Disclosure by a Director of his holdings of share and debentures of the Company etc.

APPOINTMENT OF MANAGING DIRECTORS, JOINT MANAGING DIRECTORS AND WHOLE-TIME DIRECTORS.

145. Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall be included a Joint Managing Director) or Whole-time Director or Whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

Power to appoint Managing or Whole-time Director(s).

146. (1) Subject to the provisions of the Act and of these Articles, a Managing Director or a Joint Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 132 but he shall, subject to the provisions of any contract between him and the Company, be subject to the provisions of Articles 125 and 126 to resignation and removal as the other Directors of the Company and he shall *ipso facto* and immediately cease to be a Managing Director if he ceases to hold the office of the Director from any cause.

What provisions they shall be subject to.

(2) The Whole-time Director or Directors while continuing to hold that office shall be subject to retirement by rotation and be also subject to the provisions of Articles 125 and 126 as the other Directors of the Company and shall *ipso facto* and immediately cease to be a Whole-time Director if he cease to hold the office of the Director from any cause.

Powers of Managing Director / Joint Managing Director / Whole-time Director.

147. The Board of Directors may, subject to the provisions of the Act, entrust to and confer upon a Managing Director / Joint Managing Director and upon a Whole-time

Director any of the power exercisable by it upon such terms and conditions and with such restrictions as it may think fit, and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any such powers.

Restriction on management powers.

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

- (a) make calls on shareholders in respect of money unpaid on the shares in the Company;
- (b) issue debentures;
- and except to the extent mentioned in the resolution passed at the Board Meeting under Section 292 of the Act, shall also not exercise the powers to ----
- (c) borrow moneys, otherwise than on debentures;
- (d) invest the funds of the Company; and
- (e) make loans.

Certain persons not to be appointed Managing Director etc.

149. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing Director or the Joint Managing Director or Whole-time Director who----

- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent;
- (b) suspends, or has at any time, suspended, payment to his creditors, or makes, or has at any time made, composition with them; or
- (c) is, or has at any time been convicted by a Court of an offence involving moral turpitude.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meeting of Directors.

150. The Directors may meet together as a Board for the dispatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Notice of meetings.

151. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India, to every other Director.

Quorum.

152. Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (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, present at the meeting being not less than two, shall be quorum during such time.

Adjournment of meeting for want of quorum.

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

When meeting to be convened.

154. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India to every other Director.

Chairman and Vice-Chairman of the Board.

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

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

156. (1) Questions arising at any meeting of the Board shall be decided by a majority of votes, and in the case of an equality of votes, the Chairman of the Meeting shall have a second or casting vote.

Questions at Board Meetings how decided.

(2) Notwithstanding anything stated in clause (1) above, resolutions at a meeting of the Board shall be passed only with the consent of all the Directors present at the meeting, in the following cases.

- (a) resolution making or approving the appointment or employment of a person as the Managing Director of the Company, who is already the managing director or manager of any other company, as mentioned in Section 316(2) of the Act; and
- (b) resolution sanctioning the investment in the shares or debentures of any other body corporate, as mentioned in Section 372(5) of the Act.

157. A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or these Articles are for the time being vested in or exercisable by the Board generally.

Powers of Board Meeting.

158. Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of such Member or Members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

Directors may appoint Committee.

159. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Articles.

Meeting of Committee how to be governed.

160. Save as otherwise expressly provided in Section 292 and other provisions of the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, may be passed by circulation, provided that it has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the committee, as laid down in Section 289 of the Act, and has been approved by a majority of such of the members of the Board or of the committee (as the case may be) then in India as are entitled to vote on the resolution. A resolution so passed shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

Passing of Resolution by Circular.

161. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to

Acts of Board or Committee valid notwithstanding informal appointment.

acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

POWERS OF DIRECTORS.

General powers of the Board.

162. The business of the Company shall be managed by the Board of Directors who shall have the entire management, superintendence, control, ordering and direction of the affairs, business and concerns of the Company save as to such objects and powers of the Company as are by the Act or by the Memorandum of Association directed or required to be exercised by the Company in General Meeting, but subject nevertheless to the provisions of the Act and of the Memorandum of Association and of these Articles and to such regulations or provisions as may be prescribed by the Company in General Meeting, but no regulation by the Company in General Meeting shall invalidate any prior act of the Directors, which would have been valid if that regulation had not been made.

Express powers of the Board.

163. The following powers are expressly conferred upon the Directors.

- (1) To carry out all or any of the objects and business of the Company, and to have the entire management, superintendence, control, ordering and directions of the affairs, business and concerns of the Company, save as to such objects and powers of the Company as by these presents or the Memorandum of Association are declared to be exercisable only by the shareholders of the Company assembled in General Meeting.
- (2) To purchase or contract for immediate or future delivery "Kapas" raw cotton, wool, silk, hemp, jute, rags, yarns, Synthetic Fibres cloths of various blends of fibres and other fibrous articles, iron and other metals and all stores and materials, chemicals and things necessary or useful for dyeing, printing, spinning, weaving, bleaching, pressing, ginning or any other manufacturing purposes, and if deemed expedient by the Directors to sell back, or to send for sale to any part of the world all or any of the above mentioned materials, produce, articles and things.
- (3) To sell for cash, or on credit, or to contract for the sale and future delivery of, or to send for sale to any part of the world, all or any of the produce whatsoever of the Company.
- (4) To purchase, and erect plant and machinery for the purpose of dyeing, printing, spinning, weaving, bleaching, pressing, ginning, or other manufacturing purposes.
- (5) To purchase or accept leases of or otherwise in any manner acquire lands in any place with or without buildings thereon and whether of freehold, leasehold, underleasehold or other tenure whatsoever for all or any of the purposes of the Company including in particular but without prejudice to the generality of such purposes mills, gins, presses, houses and chawls for the accommodation of Officers, clerks, workmen and other employees of the Company, office or offices, warehouse or warehouses, and depot or depots for the storage, exhibition and display of the manufactures and goods of the Company, and so that such lands with or without buildings thereon may include lands with or without buildings thereon subject to any existing lease or underlease, and also to erect on any lands so purchased or otherwise in any manner acquired any buildings whether permanent or temporary and to, add to, alter, adapt or improve or fit for the purpose intended and equip within and without any building so erected or any existing building for all or any of the purposes of the Company including the purposes hereinabove particularized.
- (6) To exchange, sell, convey, lease, assign or grant any lease or leases of any land or lands whether freehold or leasehold or of other tenure and whether with

- or without buildings thereon or any other part of the immoveable property of the Company, for other land or for cash, Government securities or securities guaranteed by Government or for the shares in Joint Stock Manufacturing Companies, or partly for one, and partly for another, or for such other property and securities as may be determined by the Company.
- (7) To purchase the reversion or reversions or otherwise acquire the freehold or fee simple, of all or any part of the lands with or without buildings thereon for the time being held under lease or for an estate less than a freehold estate by the Company.
 - (8) To undertake the payment of all rent, and the performance of all covenants, conditions, and agreements contained in and reserved by any leases that may be granted or assigned to, or be otherwise acquired by the Company.
 - (9) To add to, alter or enlarge, from time to time all or any of the buildings, premises and machinery, wheresoever situate, for the time being the property of the Company, and also to expend from time to time, such sums of money as may be necessary or expedient for the purposes of improving, adding to, altering, repairing and maintaining the buildings, machinery, and property of the Company.
 - (10) To open accounts with any Bank or Bankers or with any firm or individual and to pay and draw money from time to time as the Directors may think fit.
 - (11) For all or any of the purposes aforesaid, and for all other purposes of the Company, to make, draw, accept, endorse, negotiate and sell Bills of Exchange, with or without security, also to draw and endorse Promissory Notes, cheques, bills of lading, shipping documents, dock and warehouse warrants and other instruments, negotiable or otherwise and negotiate the same, also to take and receive advances of any sum or sums of money, with or without giving security upon such terms and conditions as the Directors may deem expedient; also to advance any sum or sums of money upon or in respect of the purchase of raw materials, or of any of the articles and things hereinbefore enumerated, or of any other articles and things necessary or useful for any of the purposes of the Company, upon such terms and security as the Directors may deem expedient.
 - (12) To incur from time to time such expenses, and to lay out such sum or sums of money, as the Directors may deem expedient, for the purpose of working the Mills or manufactories, or of improving or enlarging the business of the Company; from time to time to erect and fix new machinery or plant on or in any of the lands, buildings, and premises for the time being the property of the Company and from time to time to remove all or any of the machinery, plant, and stores of the Company, being in or upon any lands, buildings, and premises of the Company, to other lands, buildings or premises wheresoever situated of the Company.
 - (13) To promote any company or companies for the purpose of acquiring all or any of the property rights or liabilities of this Company or for carrying on any business which this Company is authorized to carry on or for any other purposes which may seem directly or indirectly calculated to benefit the Company or to promote or advance the interests of this Company.
 - (14) To amalgamate with and to acquire and undertake on any terms and subject to any conditions, the whole or any part of the business, property and liabilities of any person or company carrying on any business which this Company is authorized to carry on, or possessed of property suitable for the purpose of the Company.

- (15) To invest any of the funds and moneys of the Company from time to time in securities, or in shares or securities of a public or private company or in fixed deposits or by way of loans on interest to any public company or bank and from time to time to sell or vary any or all such investments and to execute all receipts and documents that may be necessary in that behalf.
- (16) To subscribe or guarantee money for any national, international, charitable, benevolent, educational, public, general or other useful object, activity, exhibition or trade show or for any purpose, whatsoever, which may be or may appear to be conducive directly or indirectly to the furtherance of the objects of the Company or the interests of its members.
- (17) To grant pensions or gratuities or ex-gratia payment to any officers or employees or ex-officers or ex-employees of the Company or their relatives, connections or dependents or the families of any such persons and to establish, provide, maintain and support or to contribute to the establishment, provision, maintenance and support of Associations, Institutions, Libraries, Creches, Clubs, and Canteens for the benefit of any such persons.
- (18) To contribute to Provident Funds for the benefits of the employees of the Company, to pay bonuses and gratuities and to create, open and maintain funds for the purpose of paying from time to time such bonuses and gratuities whether compulsory or otherwise.
- (19) To subscribe to, become a member of and co-operate with any Association, whether incorporated or not or to apply the money of the Company in any way in or towards the establishment, maintenance, or extension of any association, institution, or fund whose objects are altogether or in part, similar to those of this Company or are in anywise connected with any particular trade or business, or with trade or commerce generally, including any association, institution, or fund for protection of the interests of masters, owners, or employers and for insurance against loss by bad debts, strikes, workmen's combinations, fire, accident or otherwise.
- (20) To purchase, take on lease or in exchange, hire or otherwise acquire any moveable property and any rights or privileges, which the Company may think necessary or expedient for the purpose of its business, and in particular inventions, privileges, monopolies, licenses, concession or processes and the like, and any other rights, or powers conferring any exclusive or non-exclusive or limited rights to use any secret or other information as to any invention available for use in connection with any of the objects of the Company.
- (21) To make any experiments in connection with any business of the Company and take out, or otherwise acquire, by original application or otherwise, any trademarks, letters patent or patent rights or the like, and to use, exercise, develop, grant licenses in respect of, sell, dispose of or otherwise turn to account any trademarks, patents, patent or other rights, licenses or other interests for the time being held or acquired by the Company.
- (22) To sell, improve, manage, develop, lease, mortgage, or otherwise dispose of, or deal with the whole or any part of the undertaking, business and property of the Company for such consideration as may be thought fit, and in particular for a rent, or rents, or shares, debentures, debenture-stock or other obligations of any other company, and to promote and form any company intended to purchase, take on lease, or in anywise deal with any property or rights of the Company, or to sell anything made or produced by the Company or which it may be considered will help the Company in its business, or in which it may be considered desirable that the Company shall be interested, and to subscribe absolutely or subject to any condition or contingency for, or acquire in any

way, any shares or obligations of such company.

- (23) To subscribe absolutely, or subject to any condition or contingency for or purchase or acquire in any way any shares, stock, debentures, debenture-stock or other obligations of any other company of any description.
- (24) To give all descriptions of guarantees and in particular to guarantee the principal and interest of any premium, which may become payable on any mortgage, debentures, debenture-stock, or other obligations and the divided on, and the return, either with or without any premium of the capital paid on any shares.
- (25) To hold all or any shares or obligations acquired by the Company, or to sell or re-issue the same, with or without guarantee, or to distribute them or any other assets of this Company in kind upon a division of profits or distribution of capital among the Members, and in the case of any cash, shares or obligations, receivable upon any sale or amalgamation to arrange, in case at the time of any such sale or amalgamation the shares of this Company shall be of different classes, for the distribution of any proceeds of sale in any manner authorized by or under the provisions of the Articles of Association of the Company for the time being.
- (26) To take part in the management, supervision and control of the business or operation of any company or undertaking and for that purpose to appoint and remunerate any directors, trustees, accountants or other experts or agents.
- (27) To enter into any arrangements for sharing profits, co-operation, joint adventure, or reciprocal concession with any other person, firm or company, carrying on or about to carry on, or engage in any business or transaction which may seem calculated, directly or indirectly to benefit this Company and to amalgamate with any other company and to give to any person or company special rights and privileges in connection with or control over this Company and in particular the right to nominate one or more Directors of this Company.
- (28) To borrow and raise money for any of the purposes of the Company in any manner and on terms approved by the Board of Directors of the Company.
- (29) For any purpose and in any manner and from time to time to mortgage or charge the whole or any part of the undertaking property and rights (including property and rights to be subsequently acquired) of the Company and any money uncalled on any shares of the Capital (original or increased) of the Company, and whether at the time issued or created or not, and to create, issue, make, and give debentures, debenture-stock, bonds or other obligations perpetual or otherwise, with or without any mortgage or charge on all or any part of such undertaking property rights, and uncalled money.
- (30) To remunerate any person, firm or company rendering service to this Company, whether by cash payment or the allotment to him or them of shares or securities of the Company, credited as paid up in full or in part or otherwise.
- (31) To pay all preliminary expenses of any company promoted or formed by the Company, or any company, in which this Company is or may contemplate being interested, including in such preliminary expenses all or any part of the costs and expenses of owners of any business or property acquired by the Company, and to remunerate any person or company for service rendered in placing or assisting to place or subscribing or agreeing to subscribe, whether absolutely or conditionally for, or procuring or agreeing to procure subscriptions whether absolutely or conditional, for any of the shares, debentures or debenture-stock or other obligations of or for any other services in or about the promotion of or the issue of the capital or obligation of this or any other company, or the

conduct of the business of this or any other company, and to grant to any person or company subscribing, or agreeing to subscribe or procuring or agreeing to procure subscriptions as aforesaid an option to require the company to issue to him or it or his or its nominees further shares in the Company at not less than par or further debentures or denture-stock or other obligations of the Company at any price, and also to pay any costs of winding up a Company, the whole or any portion of the property of which is acquired by this Company, and also all expenses attending the issue of any circular or notice, and the printing, stamping, and circularizing of proxies or forms to be filled up by the members of this Company.

- (32) To lend money with or without security and to subsidise, assist, and guarantee the payment of money by, or by the performance of, any contract, engagement or obligation by any persons or companies, and in particular, customers of the Company or any persons or companies with whom the Company may have or intended to have business relations.
- (33) To enter into arrangements with any authority, municipal, local or otherwise, or any corporations, companies, firms, or persons that may seem conducive to the Company's objects or any of them and to obtain from any such authority, corporation, company, firm or person any contracts, rights, privileges and concessions which the Company may think desirable.
- (34) To carry on any business or branch of a business which this Company is authorized to carry on by means or through the agency of any subsidiary company or companies, and to enter into any arrangement with any subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangements which may seem desirable with reference to any business or branch so carried on, including power at any time either temporarily or permanently to close any such business or branch and to act as Managers or to appoint Directors or Managers of any such subsidiary company.
- (35) To give any officers, servants or employees of the Company any share or interest in the profits of the Company's business or any branch thereof, and whether carried on by means or through the agency of any subsidiary company or not, and for that purpose to enter into any arrangements the Company may think fit.
- (36) To authorize and empower any one or more of their own number of such other person or persons as the Directors may think fit to exercise and perform under the general control of the Board all or any of the powers, authorities and duties conferred or imposed upon the Directors by these Articles of Association.
- (37) From time to time to nominate and appoint and at pleasure to remove or suspend as the Directors deem best for the management of the business of the Company Secretaries, Managers, Officers, Clerks, Engineers, Workmen and all other employees of the Company and to fix all commissions, remunerations, salaries and wages to be paid to them respectively by the Company.
- (38) To execute all deeds, agreements, contracts, receipts, and other documents that may be necessary or expedient for the purposes of the Company.
- (39) To insure and keep insured against loss or fire if deemed expedient by the Directors, 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 articles of the Company either separately or conjointly, also to insure all or any portion of the goods, produce, machinery and other articles imported and exported by the Company and to sell, assign, surrender or discontinue any Policies of

Assurance effected in pursuance of this power.

- (40) To commence, institute, prosecute and defend all such actions and suits either at law or in equity as it may in the opinion of the Directors be necessary or proper to bring or defend on the part of the Company and the same actions and suits to compromise or submit to arbitration as they may in their discretion deem expedient. The Directors for the time being or any person duly authorized by them, being hereby empowered to make, give, sign, and execute all and every warrant to sue or defend on behalf of the Company and all and every submission to arbitration as may be requisite; and for the purposes aforesaid, the Board of Directors shall be empowered to use their names on behalf of the said Company, or the name or names of any other person or persons connected with the said Company, and such Director or Directors or such persons whose name shall be so used, shall be saved harmless and indemnified, out of the funds and property of the Company, from all costs and damages which he or they may incur, or be liable to, by reason of his or their names being so used as aforesaid, and such person or persons shall do nothing to prevent the Board of Directors from effectually conducting and bringing to an issue any such action or suit.
- (41) To refer any dispute to arbitration, to compromise any debt or claim, and to give time to any debtor for payment of his debt.
- (42) To set aside from time to time out of the net profits realized by the Company, a sum of money and to place the same to the credit of any one of the accounts hereunder mentioned, or to divide or distribute such sum among any two or more of the same accounts, in such manner as the Directors may deem expedient.

Reserve Fund Account.

Fire Insurance Fund Account.

Leasehold Fund Account.

Building Deterioration Fund Account.

Machinery Deterioration Fund Account.

Equalization of Dividend Account.

Reserve for Taxation.

Investment Depreciation Account.

The Directors may set aside to the credit of the abovementioned "Building Deterioration Fund Account" and "Machinery Deterioration Fund Account" respectively, out of the net profits realized by the Company in every year such sum or sums as they may decide upon; and may also set aside out of the balance then remaining of the said annual net profits, a further sum or further sums to be placed to the credit of any one or more of the abovementioned accounts (other than the said "Building Deterioration Fund Account" and "Machinery Deterioration Fund Account") provided that the sum placed to the credit of any one of the said accounts (other than the Building Deterioration Fund Account and Machinery Deterioration Fund Account aforesaid) shall never exceed 15 per cent (fifteen per cent) of the balance of the said net profits, and that the total amount of the further sum or sums so set aside in any one year shall in no case exceed 30 per cent (thirty per cent) of such balance as aforesaid of the said annual net profits.

- (43) To use or apply the funds, set apart by virtue or in pursuance of the last preceding clause or power, as or towards Working Capital and in that case to pay to the credit of the said several accounts interest upon the same funds, if the Directors think fit or to invest the same funds, or any part thereof respectively, in any Security, or Securities of the Government of India, or in any Securities

guaranteed by the Government of India or in shares of securities of a public Company and the same securities again to sell, or vary from time to time, and to apply the proceeds of any such sale in manner aforesaid, or to re-invest the same as the Directors may deem expedient.

- (44) From time to time to use or apply all moneys set apart in the manner hereinbefore provided to the Reserve Fund Account, towards meeting contingencies, or for special dividends or for equalizing dividends or for repairing, maintaining, or improving, or adding to the building, machinery, and other works connected with the business of the Company, or towards any of the purposes of the Company, as the Directors may deem expedient.
- (45) To use or apply the interest of all moneys that may be set apart or credited to Five Insurance Fund Account towards payment of premiums upon any Policy or Policies of Insurance that may be effected by the Company, and to use or apply the principal moneys themselves towards enabling the Company to become its own insurers or part insurers against loss or damage by fire.
- (46) To use or apply the interest of moneys that may be set apart or credited to the Leasehold Fund Account, towards payment of the rent or rents reserved by any Indenture of Lease or other document of title held by the Company, and to use or apply the principal moneys themselves towards the conversion of any leasehold or less than freehold estates in manner hereinbefore provided.
- (47) To use or apply all moneys that may be set apart or credited to the Building Deterioration Fund Account, towards the execution of any repairs to, or alterations in, the buildings of the Company; and to use or apply all moneys that may be set apart or credited to the Machinery Deterioration Account towards writing off depreciation in the value of, or towards replacing any machinery that may have deteriorated.
- (48) And generally to do, sanction, and authorize all such matters and things as may be necessary to be done in and about conducting the affairs of the Company, or carrying into effect all or any of the objects or powers of the Company, as expressed in the Memorandum of Association, or in and about the execution of all or any of the powers hereinbefore conferred upon the Directors.

SECRETARY

Secretary.

164. The Directors may from time to time appoint, and, at their discretion, remove any individual, firm or body corporate (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other purely ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company.

SEAL

The Seal, its custody and use.

165. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in the lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf.

(b) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

Deeds how executed.

166. Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board

for the purpose, provided that in respect of the Share Certificate, the Seal shall be affixed in accordance with Article 19(a).

DIVIDENDS AND INTEREST

167. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by 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 or credited as paid-up on the share held by them respectively.

Division of profits.

168. The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

The Company in General Meeting may declare a dividend.

169. No dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that:

Dividends only to be paid out of profits.

- (a) if the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or years;
- (b) if the Company has incurred any loss in any previous financial year or years, the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act or against both.

170. The Board may, from time to time, pay to the members such interim dividend as in their judgment the position of the Company justifies.

Interim dividend.

171. Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

Capital paid up in advance at interest not to earn dividend.

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

Dividends in proportion to amount paid-up.

173. The Board may retain the dividends payable upon shares in respect of which any person is under Article 63 entitled to become a member or which any person under that Article is entitled to transfer, until such a person shall become a member, in respect of such shares or shall duly transfer the same.

Retention of dividends until completion of transfer under Article 63.

174. Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

Dividend etc. to joint-holders.

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

No member to receive dividend while indebted to the Company & Company's right of reimbursement thereof.

Transfer of shares must be registered.

* 176. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer, provided however, that where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered, the Company shall:

- (a) transfer the dividend in relation to such shares to the special account referred to in Section 205A unless the Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
- (b) keep in abeyance in relation to such shares any offer of rights shares under clause(a) of sub-section(1) of Section 81 and any issue of fully paid up bonus shares in pursuance of sub-section(3) of Section 205.

Dividends how remitted.

177. Unless otherwise directed, any dividend may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the 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-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt 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 forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.

No interest on dividends.
Capitalisation.

178. No unpaid dividend shall bear interest as against the Company.

** 179. A General Meeting may direct capitalisation of the whole or any part of the undivided profits for the time being of the Company or the whole or any part of the Reserve Fund or Funds (including the Securities Premium Account) of the Company (1) by the distribution among the members or any of them in accordance with their respective rights and in proportion to the amounts paid or credited as paid thereon, of paid up shares, debentures or debenture stock, bonds, or other obligations of the Company or (2) by crediting any shares of the Company, which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid thereon respectively with the whole or any part of the sums remaining unpaid thereon and the Directors shall give effect to such resolution and apply such portion of the profits or Reserve Funds as may be required for the purpose of making payment in full or part for the shares, debenture stock, bonds or other obligations of the Company so distributed, or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on any shares, which may have been issued and are not fully paid up, provided that no such distribution or payment shall be made unless recommended by the Board. Where any difficulty arises in respect of such distribution or payment the Board may settle the same as they think expedient, and in particular they may issue fractional certificates and generally may make such arrangements for the acceptance, allotment and sale of such shares, debentures, debenture stock, bonds or other obligations and fractional certificates, or otherwise as they may think fit, and may make cash payments to any Member on the footing of the value so fixed, in order to adjust the rights, and may vest any shares, debentures, debenture stock, bonds or other obligations in trustees, upon such trusts for adjusting such rights as may seem expedient to the Board. 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 Members holding fully paid shares and

* Addition to Article 176 as amended by Special Resolution No.8(D) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

** Article 179 as amended by the Special Resolution No. 1 passed at the Extraordinary General Meeting of the Company held on 24th April 2002

partly paid shares the sums so applied in the payment up of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro rata in proportion to the amounts then already paid or credited as paid on the existing fully paid and partly paid shares respectively. 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 holding the shares of the Company, which shall have been issued prior to such capitalization and such appointment shall be effective

Provided that notwithstanding anything contained hereinabove, any amounts standing to the credit of the Securities Premium Account may also be utilized (other than for capitalisation) in accordance with the provisions of law.

ACCOUNTS

180. (1) The Company shall keep proper books of account, giving a true and fair view of the state of affairs of the Company, and explaining its transactions, with respect to all matters mentioned in sub-section (1) of Section 209 of the Act.

Keeping of Books of Account.

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

(3) If the Company has a Branch Office, whether in or outside India, then the provisions of sub-sections (2) and (3) of Section 209 shall be complied with.

(4) The Company shall preserve in good order the books of account relating to a period of not less than eight years immediately preceding the current year, together with vouchers relevant to any entry in such books of account.

181. (1) The books of account and other books and papers of the Company shall be open to inspection by any Director during business hours.

Inspection of Books of Account etc.

(2) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a Director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorized by the Board, and no member, not being a Director, shall be entitled to require or receive any information covering the business, trading or customers of the Company, or any trade secrets or secret process of or used by the Company.

182. The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Accounts and Reports as are required by the provisions of the Act.

Statement of Accounts to be furnished to General Meeting.

* 183. Subject to the provisions of Section 219 of the Act, a copy of every such Profit & Loss Account and Balance Sheet (including the Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet) shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any debentures issued by the Company, whether such member, or trustee is or is not entitled to have notices of general meetings of the Company sent to him; and to all persons other than such members or trustees, being persons so entitled.

Copies shall be sent to each Member.

* Article 183 as amended by Special Resolution No.8(E) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

AUDIT

Accounts to be audited.

184. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 and Sections 233A and 233B of the Act.

* 185. The remuneration of the Auditors shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

DOCUMENTS AND NOTICES

Service of documents or notices on Members by Company.

186. (1) A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.

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

Advertisement in newspaper.

187. A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

On Joint holders.

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

On personal representatives etc.

189. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to them by name or by the title of representatives of the deceased, or 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 entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

To whom documents or notices must be served or given.

190. Documents or notices of every General Meeting shall be served or given in same manner hereinbefore authorized on or to (a) every member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditors for the time being of the Company.

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

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

* Addition to Article 185 as amended by Special Resolution No.8(F) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

192. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorized by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.

Document or notice by company and signature thereto.

193. (1) All documents or notices to be served or given by Members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the Office.

Service of documents or notices by Member.

(2) Where, by any provisions contained in the Act or in these Articles, special notice is required of any resolution, then notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is proposed to be used as provided in Section 190 of the Act.

WINDING UP

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

Liquidator may divide assets in specie.

(2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such divisions be carried out as between the Members or different classes of Members.

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

INDEMNITY

195. Every Director, Managing Director, Agent, Auditor, Secretary and other Officer for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, or in connection with any application under Section 633 of the Act.

Directors' and others' right of indemnity.

SECRECY CLAUSE

196. (a) Every Director, Manager, Auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all secret processes or other secret technical information of any nature whatsoever, transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Secrecy clause.

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

197. Notwithstanding anything contained in the present Articles, the provisions of the Articles as they stood on the 31st December 1969, will continue to be valid and

Savings as to acts performed by erstwhile Managing Agents.

effective in respect of all acts, deeds, matters, and things done, executed and performed by the erstwhile Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., during the subsistence of their Managing Agency, in exercise of their powers, functions and duties under Article 143 as they stood on the 31st December 1969, or under any agreement or contracts entered into by them with the Company or by them on behalf of the Company as its Managing Agents.

Names of first Shareholders.	No. of Shares Subscribed.
DINSHAW MANOCKJEE PETIT, ESQR.	20
JOHN S. ALSTON, ESQR.	25
NOWROSJEE N. WADIA, ESQR.	18
WILLIAM REID, ESQR.	25
FRAMJEE DINSHAW PETIT, ESQR.	5
BOMANJI DINSHAW PETIT, ESQR.	5
SORABJEE NUSSERWANJI WADIA, ESQR.	2
Total	100 Shares

Dated this 19th day of July 1879.

At the Eighty-Fourth Annual General Meeting of the Company held on the 26th April, 1956, the following Special Resolutions were passed:

I. RESOLVED that in accordance with the provisions of Section 261 of the Companies Act, 1956, the Company hereby consents to and approves of the appointment, as a Director of the Company, of Mr. H. R. Batlivala, a Director and employee of Nowrosjee Wadia & Sons (Private) Ltd., the Managing Agents of the Company.

II. RESOLVED that in accordance with the provisions of Section 261 of the Companies Act, 1956, the Company hereby consents to and approves of the appointment as a Director of the Company, of Sir Jamsetjee Jejeebhoy Bart., an employee of Nowrosjee Wadia & Sons (Private) Ltd., the Managing Agents of the Company.

III. RESOLVED that pursuant to the provisions of Section 360 of the Companies Act, 1956, the Company hereby approves of all sales, purchases, or supplies or transactions already entered into or to be entered into by virtue of or under a contract dated the 22nd day of March, 1956, between the Company and the Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., in respect of goods in which the Managing Agents regularly trade or do business in such as Rings, Ring Travellers, Lubricating Oils, Hair & Leather Beltings, and other Leather Goods such as Pickers, Picking Bands and Buffers Sprinklers and Sprinkler Equipment, Machine Cloths, Ginning, Pressing and Delinting Machinery, and Machinery spare parts, and Mechanical Handling Equipment or in respect of which they may trade or do business in as well as in respect of sales to the Managing Agents by the Company of sundry stores, petrol tubular banding, cloth and such other ancillary items and in respect of the supply or rendering of any service by either to the other than that of Managing Agents, including receiving loans or deposits at interest not exceeding the State Bank of India's rate of interest from the Managing Agents, for all of which payment shall be made to the Company within one month from the date of such transactions.

IV. RESOLVED that pursuant to the provisions of Section 360 of the Companies Act, 1956, the Company hereby approves of all purchases or supplies from or transactions already entered into or to be entered into by virtue of or under a Contract dated the 19th day of March 1956 between the Company and Spin-Weave Textiles, an associate of the Managing Agents as defined under the provisions of the Companies Act, 1956, in respect of Bobbins, Pirns, Skewers, Wood, Wooden Cases, Wooden Articles such as Sleys, Hand Tops, Rollers Picking Sticks, Leather Goods such as Beltings, Picking Bands, Pickers, Buffers, Loom Straps, Ram Rings, Castings and Machinery spare parts and other sundry mill stores, at rates fixed by the Directors from time to time.

V. RESOLVED that the Company hereby approves of the purchase, on 29th March, 1956, from Mr. Neville N. Wadia, an associate of the Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., of the reversionary rights in the lands admeasuring about 1,27,924.6 square yards previously leased by the Company (and in the occupation of the Spring Mills) at or for the price of Rs. 10,50,000/- by Indenture of Conveyance dated 29th March, 1956.

VI. RESOLVED that the Company hereby approves of the purchase, on 29th March, 1956, from Mr. Neville N. Wadia, an associate of the Managing Agents Messrs. Nowrosjee Wadia & Sons (Private) Ltd., of the reversionary rights in the lands admeasuring about 44,460 square yards previously leased by the Company (and in the occupation of the Textile Mills) at or for the price of Rs. 4,50,000/- by Indenture of Conveyance dated 29th March, 1956.

At the Eighty-Fifth Annual General Meeting of the Company held on the 18th April, 1957, the following Special Resolutions were passed:

I. RESOLVED that in place and stead of the existing Clause 3 of the Articles of Association of the Company, the following Clause be and the same is hereby substituted as from the first day of October, 1957 as Clause 3 thereof:—

3. The Capital of the Company is Rs. 2,56,00,000 (Rupees two hundred and fifty-six lacs) divided into 10,24,000 (Ten lacs twenty-four thousand) Shares of the face value of Rs. 25/- (Rupees twenty-five) each, with power to divide the Share in the Capital for the time being into Equity Share Capital and Preference Share Capital and to attach respectively any preferential, qualified or special rights, privileges or conditions.

II. RESOLVED that in place and stead of the existing Clause 102 of the Articles of Association of the Company, the following Clause be and it is hereby substituted as Clause 102 thereof:—

102. Unless otherwise determined by a General Meeting the qualification of a Director shall be the holding of Shares in the Company of the total face value of Rs. 750/-.

III. RESOLVED that in place and stead of the existing Clause 133 of the Articles of Association of the Company, the following Clause be and the same is hereby substituted as Clause 133 thereof :—

133. Every Deed or other instruments to which the Seal is required to be affixed shall (except in the case of Certificates of title to Shares) be signed by two Directors, who shall sign their names at the foot of or elsewhere on the said Deed, instrument or document. Certificate of title to Shares may be so signed by one Director or by a person or persons duly authorised by the Directors in that behalf. The signature on such Certificates of the Director may be reproduced and affixed by mechanical means.

IV. RESOLVED that pursuant to the provisions of Section 360 of the Companies Act, 1956, the Company hereby approves of a Contract being entered into between the Company and its Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., in terms of the draft placed before the meeting, and for the sake of identification, initialled by the Chairman of the Company, to be operative as from the date of this Meeting till one month after the date of the Annual General Meeting of the Company in the year 1960, in respect of purchases, sales or supplies of goods in which the Managing Agents regularly trade or do business in such as Rings, Ring Travellers, Lubricating Oils, Hair and Leather Beltings, and other Leather Goods such as Pickers, Picking Bands and Buffers, Shuttles, Sprinklers and Sprinkler Equipment, Machine Cloths, Ginning, Pressing and Delinting Machinery, Floor Polishing Machines, Homogenizers, Machinery and Machinery spare parts and Mechanical Handling Equipment or in respect of which they may trade or do business in as well as in respects of sales to the Managing Agents by the Company of sundry stores, petrol, tubular handing, soap, cloth and such other ancillary items and in respect of the supply or rendering of any service by either, to the other, other than that of Managing Agents including receiving loans or deposits at interest not exceeding the State Bank of India's rate of interest from the Managing Agents, subject to the conditions that all payments to be made to the Company by the Managing Agents shall be made within one month from the date of such transactions, and that the prices charged to the Company shall be as approved or confirmed by the Board, and shall be such as are not less favourable to the Company than the market rates, or which are otherwise reasonable, and the terms and conditions of the said supplies shall be sanctioned by the Board of Directors.

V. RESOLVED that pursuant to the provisions of Section 360 of the Company's Act, 1956, the Company hereby approves of a Contract being entered into between the Company and Spin-Weave Textiles, an Associate of the Managing Agents in terms of the draft placed before the Meeting, and for the sake of identification initialled by the Chairman of the Company, to be operative as from the date of this Meeting till one month after the Annual General Meeting of the Company in the year 1960, in respect of purchases or supplies of Bobbins, Pirns, Skewers, Wood, Wooden Cases, Wooden Articles such as Sleys, Hand Tops, Rollers Picking Sticks, Leather Goods such as Beltings, Picking Bands, Pickers, Buffers, Loom Straps, Ram Rings, Castings and Machinery spare parts and other sundry mill stores, on the terms that the rates charged to the Company shall be approved or confirmed by the Board, and shall be such as are not less favourable than the rates charged for similar items generally agreed to by other reputed firms in Bombay, or which are otherwise reasonable, and the terms and conditions of the said supplies shall be sanctioned by the Board of Directors.

VI. RESOLVED that the proposal to make available by way of Lease, License or otherwise in accordance with the law, for a period of ten years, Block "Q" at the Company's Dye Works to a private limited company proposed to be floated and registered under the name of or similar to Bombay Ring Travellers Company (Private) Ltd., in which Company the Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., may hold more than one-third of the shares in the Capital of that Company, thus giving them not less than one-third of the total voting power in that Company and thereby making that Company Associates of Messrs. Nowrosjee Wadia & Sons (Private) Ltd., be and the same is hereby approved and the Directors be and they are hereby authorised to carry through such transaction on terms and conditions to be finally agreed upon between them and the proposed company when formed and to execute such documents and do all such acts as may be required for the purpose.

At the Eighty-Sixth Annual General Meeting of the Company held on the 17th April, 1958, the following Special Resolution was passed:

"RESOLVED that pursuant to the provisions of Section 261 and other applicable provisions (if any) of the Companies Act, 1956, Sir Jamsetjee Jejeebhoy, Bart., who retires by rotation and who is a Constituted Attorney and holding an office of profit under Messrs. Nowrosjee Wadia & Sons (Private) Ltd., the Managing Agents of the Company, be and is hereby re-appointed a Director of the Company."

At the Extraordinary General Meeting of the Company held on the 24th September, 1958, the following Special Resolutions were passed:

I. "RESOLVED that, subject to approval of the Central Government under Section 326 of the Companies Act, 1956, being obtained, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., be and they are hereby re-appointed the Managing Agents of the Company for a term of ten years commencing on and from the Sixteenth day of August, 1960, on a remuneration of ten per cent of the net profits of the Company for its financial year, such net profits being determined according to the provisions of Sections 349 and 350 of the said Act, subject to a minimum remuneration of Rs. 50,000/- per annum, and with the right to be reimbursed in respect of the expenses as provided in Section 354 of the said Act, and upon the terms and conditions contained in the Agreement referred to hereafter;

"RESOLVED, further, that upon approval of the Central Government being obtained as aforesaid, the Directors of the Company be and they are hereby authorised to affix the Common Seal of the Company to the stamped engrossments in duplicate of the Articles of Agreement, a draft of which has been submitted to this Meeting and has for the purpose of identification been subscribed by the Chairman of the Company, and which draft is hereby approved, but with liberty to the Directors to alter such terms and conditions thereof before execution as may be required to give effect to any conditions or requirements of the Central Government."

II. “RESOLVED that the Articles of Association of the Company be and the same are hereby altered as follows:

- (a) Article 131 be and the same is hereby deleted; and
- (b) Article 131A be and the same is hereby deleted.”

**At the Annual General Meeting of the Company held on the 16th April, 1959,
the following Special Resolutions were passed:**

“RESOLVED that pursuant to the provisions of Section 261 and other applicable provisions (if any) of the Companies Act, 1956, Mr. H. R. Batlivala who retires by rotation and is eligible for re-appointment, and who is a Director, Officer, Member and an Associate of Messrs. Nowrosjee Wadia and Sons (Private) Ltd., the Managing Agents of the Company, be and is hereby re-appointed Director of the Company.”

I. RESOLVED that the Company hereby approves of a Contract being entered into between the Company and Messrs. Ghia Pallonji & Co., Bombay (who are or may be deemed to be Associates of the Managing Agents, and one of whose partners is a Director of the Company) in terms of the draft placed before the Meeting, and for the sake of identification initialled by the Chairman of the Company, to be operative till one month after the Annual General Meeting of the Company in the year 1962, in respect of purchases of chemicals and such goods in which they trade or do business in or may trade or do business in as well as in respect of sales to them by the Company of goods produced, dealt in or owned by the Company and in respect of the supply or rendering of any service by either to the other.

II. RESOLVED that the Company hereby approves of a Contract being entered into between the Company and Messrs. Eastern Cotton Co. (who are or may be deemed to be Associates of the Managing Agents) in terms of the draft placed before the Meeting, and for the sake of identification initialled by the Chairman of the Company, to be operative till one month after the Annual General Meeting of the Company in the year 1962, in respect of purchases of cotton and/or kapas and such goods in which they trade or do business in or may trade or do business in as well as in respect of sales to them by the Company of goods produced, dealt in or owned by the Company and in respect of the supply or rendering of any service by either to the other.

III. RESOLVED that the Company hereby approves of a Contract being entered into between the Company and Messrs. Shapoorji Pallonji & Co. Private Ltd. (who are or may be deemed to be Associates of the Managing Agents, and one of whose directors is a Director of the Company) in terms of the draft placed before the Meeting, and for the sake of identification initialled by the Chairman of the Company, to be operative till one month after the Annual General Meeting of the Company in the year 1962, in respect of any building, or construction work and/or any work of any repairs and/or supply of building materials and such goods in which they trade or do business in or may trade or do business in as well as in respect of sales to them by the Company of goods produced, dealt in or owned by the Company and in respect of the supply or rendering of any service by either to the other.

**At the Annual General Meeting of the Company held on the 21st April, 1960, the
following Special Resolutions were passed:-**

I. “RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, approval be and it is hereby accorded to a contract being entered into, in terms of the draft placed before the meeting and for the sake of identification initialled by the Chairman, between the Company and the Managing Agents, Messrs. Nowrosjee Wadia and Sons (Private) Ltd., to be operative as from one month after the date of this meeting until the 15th day of August, 1965, in respect of purchase by and sale or supply to the Company of goods in which the Managing Agents regularly trade or do business, (such as

Rings, Ring Travellers, Lubricating Oils, Hair and Leather Beltings, other Leather-Goods such as Pickers, Picking Bands and Buffers, Shuttles, Sprinklers, and Sprinkler Equipment, Machine Cloths, Ginning, Pressing and Delinting Machinery, Floor Polishing Machines, Homogenizers) Machinery and Machinery spare parts and Mechanical Handling Equipments or in which they may trade or do business, and in respect of sales to the Managing Agents by the Company of sundry items of articles produced, dealt in or owned by the Company, (such as Cloth, Yarn, Waste, Petrol, Tubular Banding, Soap, and such other Sundry stores and ancillary items) as well as in respect of the supply or rendering of any service by the Company to the Managing Agents, and the supply or rendering of any service (other than that of Managing Agents) by the Managing Agents to the Company, including the giving of loans or deposits by the Managing Agents to the Company, at interest not exceeding the State Bank of India's rate of interest and including service as agents for insurers for insuring the risks of the Company subject to the conditions that all payments to be made to the Company by the Managing Agents shall be made within one month from the date of such transaction; and that the prices charged to or received by the Company shall be such as are not less favourable to the Company than the market rates, or which are otherwise reasonable, and that the terms and conditions of the said supplies shall be as sanctioned by the Board of Directors."

II. "RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, approval be and it is hereby accorded to a contract, being entered into, in terms of the draft placed before the meeting and for the sake of identification initialled by the Chairman, between the Company and the Firm of Messrs. Ghia Pallonji & Co., Bombay (who are or may be deemed to be 'associates' of the Managing Agents of the Company, and one of whose partners is a relative of one of the Directors of the Company and of the Managing Agents of the Company), to be operative as from the date of this meeting until one month after the Annual General Meeting of the Company in the year 1965, in respect of purchase by and sale or supply to the Company, of Chemicals and such goods in which they trade or do business (such as Caustic Soda, Soda Ash, Zinc Chloride, Sodium Bicarbonate and various other chemicals) or in which they may trade or do business and in respect of sales to the Firm by the Company of sundry items of articles produced, dealt in or owned by the Company, as well as in respect of the supply or rendering of any service by the Company to the Firm and the supply or rendering of any service by the Firm to the Company subject to the conditions that all payments to be made to the Company by the Firm shall be made within one month from the date of the transaction; and that the prices or amounts charged to or received by the Company shall be such as are not less favourable to the Company than the market rates, or which are otherwise reasonable, and that the terms and conditions of the said supplies shall be sanctioned by the Board of Directors."

III. "RESOLVED that the Company hereby approves of the sale to the Crown Spinning and Manufacturing Co. Ltd., of a piece of land on the northern side of the Company's Dye Works situated at Cadell Road, Mahim, admeasuring about 6,000 to 7,000 square yards at the price of Rs. 85/- per square yard, subject to the condition that the betterment charges (if any) under the Town Planning Scheme relating to this locality, which may become payable in respect of the said plot, shall be borne and paid by the purchaser."

IV. "RESOLVED that Clause 3 of the Memorandum of Association of the Company be and it is hereby altered by deleting from sub-clause (IX) thereof the following introductory words, namely: "With the consent of the shareholders as-sembled in General Meeting."

V. "RESOLVED that Clause (VI) of Article 118 of the Articles of Association of the Company be and it is hereby amended by deleting therefrom the following introductory words, namely: "With the consent of the shareholders assembled in General Meeting."

**At the Annual General Meeting of the Company held on the 29th April, 1964,
the following Special Resolution was passed:—**

“RESOLVED that the Articles of Association of the Company be and are hereby altered in the manner following:

- (a) In Article 15, for the words “or (upon paying Re. 1/- in respect of each certificate) to several certificates”, the words “or to several certificates either without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Re. 1/- for each certificate as the Directors shall prescribe”, shall be substituted.
- (b) The existing Article 54 shall be substituted by the following Article:—
 ‘54(1) The Directors shall have discretion (which they may exercise from time to time and for any period of time) not to charge any fee in respect of the transfer or transmission of a share.

 (2) Subject as above, a fee not exceeding 25 naye paise per share may be charged in respect of the transfer or transmission to the same party of any number of shares of any class, 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 one transmission of any number of shares of one class, or may be on a graduated scale varying with the number of shares comprised in one transfer or transmission, or may be fixed in any other manner as the Directors in their discretion may determine, generally or in any individual case’.”

**At the Annual General Meeting of the Company held on the 29th April, 1965,
the following Special Resolution was passed:—**

“RESOLVED that the Articles of Association of the Company be and they are hereby amended in the following manner (the amendment of Article 97 being subject to the approval of the Central Government if so required under Section 259 of the Companies Act, 1956):—

- (i) In place of the existing Article 97, the following Article shall be substituted, namely:
 ‘97. Until otherwise determined by a General Meeting, the number of Directors shall not be less than five or more than twelve, inclusive of the Ex-officio and Special Directors and the Debenture Director’.
- (ii) After Article 100, a new Article 100A shall be inserted reading as follows:
 ‘100A. During such time as the Company has issued Debentures and pursuant to the Debenture Trust Deed a right has been given to any person or persons to nominate a Director on the Board, then in the case of any and every such issue of Debentures the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. The Director appointed under this Article is hereinafter referred to as “Debenture Director”.
- (iii) In Article 101, the word “British” at the two places where it occurs, shall be omitted; the expression “a Substitute Director”, at the two places where it occurs, shall be replaced by the expression “an Alternate Director”; and the words “a substitute” in the last but one line shall be replaced by the words “an alternate”.
- (iv) In Article 102, after the word “Director” the words “other than an Additional Director, a Debenture Director and an Alternate Director”, shall be added.
- (v) In Article 105, a new clause, clause (j), shall be added reading as follows:

Debenture
Director

‘(j) being a Debenture Director, his appointment is cancelled or with-drawn by the person or persons in whom for the time being is vested the power under which he was appointed’.

- (vi) In Article 109, in place of the words “the Ex-officio Director and the Special Director”, the following words shall be substituted, namely, “the Ex-officio Director, the Special Director and the Debenture Director”.
- (vii) In Article 114, after the words “remove any Director”, there shall be added a comma and also the following words, namely, “other than a Debenture Director”.

At the Extraordinary General Meeting of the Company held on the 18th August, 1966, the following Special Resolutions were passed:

SPECIAL RESOLUTION NO. 1

“RESOLVED that Clause 5 of the Memorandum of Association of the Company be and it is hereby deleted and in place thereof the following clause be and the same is hereby substituted as Clause 5 of the Memorandum of Association of the Company, viz.:—

‘5. The Share Capital of the Company is Rs. 10,00,00,000/- (Rupees ten crores divided into 40,00,000 (Forty lacs) Shares of Rs. 25/- twenty-five) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.’

SPECIAL RESOLUTION NO. II

“RESOLVED that the Articles of Association of the Company be and are hereby amended in the following manner:—

In place of the existing Article 3 of the Articles of Association, the following Article shall be substituted, viz.:—

‘3. The Share Capital of the Company is Rs. 10,00,00,000/- (Rupees ten crores) divided into 40,00,000 (Forty lacs) Shares of the face value of Rs. 25/- (Rupees twenty-five) each. Of these, 12,04,704 (Twelve lacs four thousand seven hundred and four) Shares are Equity Shares, and the rest are unclassified’.”

At the Extraordinary General Meeting of the Company held on the 20th November, 1967, the following Special Resolution was passed:—

SPECIAL RESOLUTION

“RESOLVED that on the sanction of the Controller of Capital Issues being obtained to the proposed issue of Bonus Shares as set out in Ordinary Resolution No. I above, the Articles of Association of the Company be amended in the following manner:—

In place of the existing Article 3 of the Articles of Association, the following Article shall be substituted, viz.:—

‘3. The Share Capital of the Company is Rs. 10,00,00,000/- (Rupees ten crores) divided into 40,00,000 (Forty lacs) Shares of the face Value of Rs. 25/- (Rupees

twenty-five) each. Of these, 14,45,645 (Fourteen lacs forty-five thousand six hundred and forty-five) Shares are Equity Shares, and the rest are unclassified'."

At an Extraordinary General Meeting of the Company held on the 24th November, 1969, the following Special Resolutions were passed :—

RESOLUTION NO. 1

(as a Special Resolution)

"RESOLVED that the Articles of Association of the Company be and they are hereby amended in the following manner, and that the said amendments shall have effect from the 1st day of January, 1970.

1. In Article 19, for the words "shall be signed by the Agents or by any other person for the time being duly authorised by the Directors in that behalf," substitute the words "shall be signed by any person for the time being duly authorised by the Directors in that behalf."
2. In Article 76, for words "The Ex-officio Director shall if willing be entitled to take the chair at every General Meeting" substitute the words "The Chairman of the Board of Directors shall, if present, be entitled to take the chair at every General Meeting."
3. In Article 97, delete the words "the Ex-officio and Special Directors and,"
4. The existing Articles 98 and 101 shall be deleted, and the following new Articles 98, 98A and 98B shall be substituted:

FILLING OF CASUAL VACANCIES

98. The Board shall have power at any time and from time to time to appoint an Additional Director or Directors: Provided that such Additional Director shall hold office only up to the date of the next Annual General Meeting of the Company:

Provided further that the number of Directors and Additional Directors together shall not exceed the maximum strength fixed for the Board by the Articles.

FILLING OF CASUAL VACANCIES

98A. (1) If the office of any Director appointed by the Company in general meeting is vacated before his term of office will expire in the normal course, the resulting vacancy may be filled by Board at a meeting of the Board.

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

ALTERNATE DIRECTOR

98B. (1) The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence from the State of Maharashtra where such absence is for a period of not less than three months.

(2) 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.

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

- (4) If the term of office of the Original Director is determined before he returns to the State of Maharashtra, any provisions in the Act or in these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.
5. Articles 99 and 100 shall be deleted.
 6. In Article 109, for the words “The Ex-officio Director, the Special Director”, substitute the words “The Managing Director or the Managing Directors”; and delete the words “or the number of Directors to retire”.
 7. In Article 117, the words ‘not’, where it occurs for the first time, shall be deleted.
 8. In Clause XXXVI of Article 118, the words “or the Agents” shall be deleted at both the places where they occur.
 9. Clause XLIX of Article 118 shall be deleted.
 10. The existing Article 122 shall be deleted and the following new Article 122 shall be substituted:

CHAIRMAN OF THE BOARD

122. (1) The Board shall elect one of its number to be the Chairman of the Board, and also determine the period for which he is to hold such office.
- (2) If at any meeting the Chairman is absent or is not present within fifteen minutes after the time appointed for holding the meeting, or if no Chairman is elected, the Directors present may choose one of their number to be Chairman of the meeting.
11. Articles 129 and 130 shall be deleted, and the following new Articles 129, 130, 131 and 131A shall be substituted:

APPOINTMENT OF MANAGING DIRECTOR AND REVOCATION

129. Subject to the provisions of the Act, the Board of Directors may from time to time appoint one or more of its body to the office of Managing Director for such period and on such terms as it thinks fit, and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A Director so appointed shall not, whilst holding that office, be subject to retirement by rotation or be taken into account in determining the rotation of retirement of Directors, but his appointment shall be automatically determined if he ceases from any cause to be a Director.

REMUNERATION OF MANAGING DIRECTOR

130. A Managing Director shall, (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) receive such remuneration, whether by way of salary, or commission, or a specified percentage of the net profits of the Company, or partly in one way and partly in another, as the Directors may determine, subject to the approval of the Company in General Meeting.

POWERS OF MANAGING DIRECTOR

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

JOINT MANAGING DIRECTOR

131A. In these Articles, the expression 'Managing Director' shall include a Joint Managing Director.

12. The following new Article 171 shall be inserted.

SAVINGS AS TO ACTS PERFORMED BY ERSTWHILE MANAGING AGENTS

171. Notwithstanding anything contained in the present Articles, the provisions of the Articles as they stood on the 31st December, 1969, will continue to be valid and effective in respect of all acts, deeds, matters and things done, executed and performed by the erstwhile Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., during the subsistence of their Managing Agency, in exercise of their powers, functions and duties under Articles 129 and 130 as they stood on the 31st December, 1969, or under any agreements or contracts entered into by them with the Company, or by them on behalf of the Company as its Managing Agents.

RESOLUTION NO. IV

(as a Special Resolution)

"RESOLVED pursuant to Article 103 of the Company's Articles of Association, and to the provisions of Sections 309 and 310 of the Companies Act, 1956, and subject to the approval of the Central Government being obtained, that there shall be paid to all the Directors of the Company together, other than a Managing Director or Managing Directors, a remuneration up to one per cent of the net profits of the Company, not exceeding Rupees One Lakh in any year to be distributed among the non-managing Directors at the discretion of the Board. Such payment shall however, be made subject to prior payment being made to the Managing Director or Managing Directors of the full remuneration payable to them respectively, and provided that the annual net profits of the Company so allow. The net profits shall be computed in the manner referred to in sub-section (1) of Section 198 of the said Act, and the payment of such remuneration shall be subject to the overall maximum managerial remuneration laid down in the said Section 198".

"RESOLVED further for the sake of clarification that the percentage aforesaid shall be exclusive of the fees payable to a Director for each meeting of the Board or of a Committee of the Board attended by him, which fee (pursuant to the Ordinary Resolution passed at the Annual General Meeting held on the 29th April, 1964) has been fixed at Rs. 250/-".

"RESOLVED further, that pursuant to sub-section (7) of Section 309 of the Companies Act, 1956, this Resolution shall remain in force for a period of five years commencing from the 1st January, 1970".

At the Annual General Meeting of the Company held on the 1st April, 1971, the following Special Resolution was passed:—

"RESOLVED that the Articles of Association of the Company be and they are hereby amended in the following manner:—

1. In Article 2 (Interpretation Clause), after the definition of 'Directors', the following shall be inserted:—

"The Chairman" includes (when he is absent) the Vice-Chairman, if any has been appointed by the Board under these Articles."
2. In Article 76 (Chairman of General Meeting), after the words "the Chairman of the Board of Directors shall, if present", the following words shall be added within brackets:

“(or in his absence, the Vice-Chairman of the Board of Directors shall, if present.)”

3. In place of the existing Article 122 (Chairman of the Board), the following new Article shall be substituted:—

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

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

At the Extraordinary General Meeting of the Company held on the 23rd October, 1973, the following Special Resolution was passed:—

SPECIAL RESOLUTION

“RESOLVED that, on the sanction of the Controller of Capital Issues being obtained to the proposed issue of Bonus Shares as set out in Ordinary Resolution above, the Articles of Association of the Company be amended in the following manner:—

In place of the existing Article 3 of the Articles of Association, the following Article shall be substituted, viz.:—

‘3. The Share Capital of the Company is Rs. 10,00,00,000 (Rupees ten crores) divided into 40,00,000 (Forty lacs) Shares of the face value of Rs. 25/- (Rupees twenty-five) each. Of these, 17,34,774 (Seventeen lacs thirty-four thousand seven hundred and seventy-four) shares are Equity Shares, and the rest are unclassified.’”

At an Extraordinary General Meeting of the Company held on the 29th May, 1974, the following Special Resolutions were passed:—

SPECIAL RESOLUTION NO. I

“RESOLVED that effectively from the 1st day of June 1974 the Articles of Association of the Company be amended:

- (1) by adding the following Article as Article 100B after Article 100A:

100B: (a) Notwithstanding anything to the contrary contained in the Articles and Subject to the provisions of the Act, so long as any moneys remain owing by the Company to the Industrial Credit And Investment Corporation of India Limited or any financial institution or any other authority of State or institution (referred to in this Article as “financial institution”) out of any loan granted by any such financial institution to the Company, or so long as any such financial institution continues to hold shares/debentures in the Company as a result of underwriting or direct subscription or any other manner whatsoever, and the terms of such loan or underwriting or direct subscription or debentures give a right to such financial institution to appoint a Nominee Director on the Board then in any such case—

such financial institution shall have a right from time to time to appoint their nominee as a Director (hereinafter described as “Nominee Director”) on the Board of the Company and to remove from such office any person so appointed and to appoint any other person in his place.

(b) The Board of Directors of the Company shall have no power to remove from office the said Nominee Director.

(c) The said Nominee Director shall not be required to hold qualification shares, if any, in the Company, nor shall be liable to retirement by rotation.

(d) Save as aforesaid, the said Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

(2) The following Article be substituted for Article 102:

102: A Director need not hold any qualification shares.”

SPECIAL RESOLUTION NO. II

“RESOLVED, pursuant to the provisions of Sections 309 and 314 and other enabling provisions of the Companies Act, 1956, that the terms of remuneration payable to the Directors other than Managing Director and Joint Managing Director be renewed for a further period of five years and that there shall be paid to all the Directors of the Company together, other than the Managing Director and Joint Managing Director, a remuneration upto one per cent of the net profits of the Company not exceeding Rupees one lakh in any year, to be distributed among the non-managing Directors at the discretion of the Board. Such payment shall, however, be made subject to prior payment being made to the Managing Director and Joint Managing Director of the full remuneration payable to them respectively, and provided that the annual net profits of the Company so allow. The net profits shall be computed in the manner referred to in sub-section (1) of Section 198 of the said Act, and the payment of such remuneration shall be subject to the overall maximum managerial remuneration laid down in the said Section 198.”

“RESOLVED FURTHER, for the sake of clarification, that the percentage aforesaid shall be exclusive of the fees payable to a Director for each meeting of the Board or of a Committee of the Board attended by him, which fee (pursuant to the Ordinary Resolution passed at the Annual General Meeting held on the 29th April, 1964) has been fixed at Rs. 250/-”.

At the Extraordinary General Meeting of the Company held on the 19th May 1976, the following Special Resolutions were passed.

SPECIAL RESOLUTION NO. I

“RESOLVED that, the Articles of Association of the Company be amended in the following manner:

(a) In place of the existing Article 3 of the Articles of Association, the following Article shall be substituted, viz:—

‘3. The Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten crores) divided into 40,00,000 (Forty lacs) shares of the face value of Rs. 25 (Rupees Twenty-five) each. Of these, 20,81,729 (Twenty lacs eighty-one thousand seven hundred and twenty-nine) shares are Equity Shares, and the rest are unclassified.’ “

(b) In Article 97, for the words ‘twelve inclusive of Debenture Director’ substitute the words ‘sixteen inclusive of the Debenture Director and Nominee Director.’

(c) In Article 105, in clause (j) substitute a semi-colon as punctuation mark instead of a full-stop after the word “appointed” and then add the following as clause (k.) of the said Article:—

“(k) being a Whole-time Director (but not a Managing Director or a Joint Managing Director) or holding any office or any employment under the Company, he ceases to hold such office or his appointment or his employment is terminated due to any reason whatsoever.”

(d) In Article 131A after the words ‘Joint Managing Director’ add the words “and Whole-time Director’.”

SPECIAL RESOLUTION NO. II

“RESOLVED that, pursuant to the provisions of Sections 269, 309, 314 and other applicable provisions, if any, of the Companies Act, 1956, Mr. J.E. Cowasji, be and is hereby appointed, subject to the approval of the Central Government, a Whole-time Director of the Company and consent be and is hereby accorded to his holding and continuing to hold an office or place of profit under the Company, for a period of five years with effect from the date of approval by the Central Government, upon the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by the Chairman thereof, which Agreement is hereby specifically sanctioned, with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement but without increasing the remuneration mentioned, in such manner as may be agreed to between the Central Government and the Directors and acceptable to Mr. J.E. Cowasji.”

SPECIAL RESOLUTION NO. III

“RESOLVED that, pursuant to the provisions of Sections 269, 309, 314 and other applicable provisions, if any, of the Companies Act, 1956, Mr. D. S. Alva, be and is hereby appointed, subject to the approval of the Central Government, a Whole-time Director of the Company and consent be and is hereby accorded to his holding and continuing to hold an office or place of profit under the Company, for a period of five years with effect from the date of approval by the Central Government, upon the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by the Chairman thereof, which Agreement is hereby specifically sanctioned, with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement but without increasing the remuneration mentioned, in such manner as may be agreed to between the Central Government and the Directors and acceptable to Mr. D. S. Alva.”

At the Ninety-eighth Annual General Meeting of the Company held on the 4th April 1977 the following Special Resolution was passed :

SPECIAL RESOLUTION

“RESOLVED that, the Articles of Association of the Company be and they are hereby amended as set out in the draft thereof placed before this Meeting, a copy of which is initialled for the purpose of identification by the Chairman of the Meeting and that the said draft Articles be adopted as the Articles of Association of the Company, in place and stead of the existing Articles of Association of the Company, with effect from the date of this Meeting.”

COURT FEE RS. 20/-

Mulla and Mulla & Craigie Blunt and Caroe

Certified	Rs. 16-00
Additional	Rs. 6-00
Total	Rs. 22-00

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 155 OF 1967

(Connected with Company Application No. 49 of 1967)

In the matter of Companies Act, 1956

and

In the matter of The Bombay Dyeing and
Manufacturing Company Limited

and

In the matter of The Nowrosjee Wadia
Ginning & Pressing Company Limited

The Bombay Dyeing & Manufacturing)
Company Limited a Company incorporated)
under the Indian Companies Act, 1866)
and having its Registered Office at)
Neville House, Ballard Estate,)
Bombay-400 001) ... Petitioner.

Coram: Mody J.

5th February, 1968.

Order sanctioning Arrangement being Scheme of Amalgamation under Sections 391 and 394 of the Companies Act I of 1956.

The Petitioner Company by its Petition herein dated the 1st day of December 1967 prays for the Sanction of the Scheme of Amalgamation between itself as the Transferee Company AND The Nowrosjee Wadia Ginning & Pressing Co. Ltd. as the Transferor Company AND the said Petition being this day called on for hearing and final disposal AND UPON READING the Petition and the Affidavit of Homi Ratanji Batlivala dated 1st day of December 1967 in support of the Petition and the Affidavit of D. S. Sarkari dated the 1st day of February 1968 proving the publication in Newspapers of the Notice of the hearing of the Petition and the Affidavit of H. N. Walwaikar dated 1st day of February 1968 proving service of the Notice of the said Petition under Section 394-A of the Companies Act 1956 upon the Secretary, Company Law Board- and upon the Registrar of Companies, Maharashtra at Bombay AND UPON PERUSING the Order dated the 10th day of October 1967 passed by this Hon'ble Court in Company Application No. 49 of 1967 whereby the Petitioner Company abovenamed was ordered to convene a Meeting of its Members for the purpose of considering and if thought fit approving with or without modifications the Scheme of the Arrangement for amalgamation of the Nowrosjee Wadia Ginning & Pressing Co. Ltd., being the Transferor Company with the Petitioner Company being the Transferee Company a copy of which Scheme is annexed to the above Petition AND UPON persuing the Report dated 24th November, 1967 of Neville N. Wadia as the Chairman of the Meeting of the Shareholders of the Petitioner Company as to the result of the said Meeting held on the 20th day of November, 1967 AND UPON HEARING Mr. T. R. Andhyarujina, Advocate for the Petitioner Company in support of the Petition and it appearing from the Report that the proposed Scheme has been approved by a requisite majority of the Members of the Petitioner Company present and voting in person or by

proxy (i.e. 2,36,959 votes of the value of Rs. 59,23,975/- "for" and 12 votes of the value of Rs. 300 "against") and no other person appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Scheme of Arrangement being Ex. C to the Petition herein and set out in the First Schedule hereunder written AND DOTH HEREBY DECLARE the same to be binding on the Members of the Petitioner Company abovenamed being the "Transferee Company" and on the Nowrosjee Wadia Ginning & Pressing Co. Ltd., being the "Transferor Company" and on their Respective Members AND THIS COURT DOTH FURTHER ORDER that as from 1st October, 1967 (hereinafter called the "said date") the whole of the undertakings business and property of the Nowrosjee Wadia Ginning & Pressing Company Limited being the Transferor Company as also all the rights, powers, authorities and privileges and all properties moveable or immoveable (short particulars of which immoveable properties are set out in the Second Schedule hereunder written) including leases and tenancy rights and cash balances, reserve balances and investments and all other interest or right in or arising out of such properties be transferred without further act or deed to the Petitioner Company being the Transferee Company and the same be pursuant to Section 394(2) of the Companies Act, 1956 transferred to and do vest in the Transferee Company free from all the estate and interest of the Transferor Company subject nevertheless to all charges now affecting the same AND THIS COURT DOTH FURTHER ORDER that with effect from the said date all and singular the existing debts, obligations and all the liabilities and duties of the "Transferor Company" be transferred without further act or deed to the Petitioner Company being the "Transferee Company" and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and become the debts, obligations, liabilities and duties of the "Transferee Company" AND THIS COURT DOTH FURTHER ORDER that all Suits, Appeals or other Proceedings now pending by or against the Transferor Company be continued by or against the Petitioner Company being the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all contracts, deeds, bonds, agreements and other instruments to which the Transferor Company is a party be in full force and effect against or in favour of the Petitioner Company being the Transferee Company and be enforced as fully and effectually as if instead of the Transferor Company the Transferee Company had been a party thereof AND THIS COURT DOTH FURTHER ORDER that the Equity Shares of Rs. 10/- each in the capital of the Transferor Company held by the Petitioner Company being the Transferee Company or its nominees be and the same do stand cancelled AND THIS COURT DOTH FURTHER ORDER that the Transferor Company do within 14 days after the date of sealing of this Order cause a Certified Copy of this Order to be delivered to the Registrar of Companies, Maharashtra at Bombay for registration and on such certified copy being so delivered the Transferor Company shall be dis-solved without winding up and the said Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the Files relating to the said two Companies shall be consolidated accordingly AND THIS COURT DOTH LASTLY ORDER THAT any person interested shall be at liberty to apply to this Hon'ble Court in the above matter for any directions that may be necessary

WITNESS

SOHRAB PESHOTAN KOTVAL, ESQUIRE, Chief Justice at Bombay aforesaid
this 5th day of February, 1968.

(Seal)
Sd/- V.N. Kulkarni
Sealer

By the Court,
Sd/- V.K. Pai
for Prothonotary & Senior Master

this 26th day of February, 1968 Order)
Sanctioning Scheme of Arrangement for)
Amalgamation drawn up on application of)
Messrs. Mulla and Mulla & Craigie Blunt)
And Caroe, Attorneys for the Petitioner.)

**SCHEME OF AMALGAMATION OF
THE NOWROSJEE WADIA GINNING & PRESSING CO. LTD.
WITH
THE BOMBAY DYEING & MANUFACTURING CO. LTD.**

1. The Scheme of Amalgamation set out hereinafter when sanctioned by the Hon'ble the High Court of Judicature at Bombay will take effect from 1st October, 1967. The said date is hereinafter referred to as "the appointed day".

2. As from the appointed day the Undertaking and business of the Nowrosjee Wadia Ginning & Pressing Co. Ltd. which is hereinafter for brevity's sake referred to as "**GINNING COMPANY**" shall without further act or deed be deemed to be and be transferred to and vested in The Bombay Dyeing and Manufacturing Co. Ltd., hereinafter called "**BOMBAY DYEING.**"

Explanation: The Undertaking of **GINNING COMPANY** shall include all rights, powers, authorities and privileges and all property moveable or immoveable including leases and tenancy rights and cash balances, reserves, revenue balances and investments and all other interests and rights in or arising out of such property as may belong to or be in possession of **GINNING COMPANY** immediately before the appointed day including all licences and import quotas issued to **GINNING COMPANY** or to which **GINNING COMPANY** may be entitled in future, even after the appointed day, all books of accounts and documents relating thereto and also all debts and liabilities of **GINNING COMPANY** immediately before the appointed day and all other obligations of whatsoever kind then existing of **GINNING COMPANY**

3. If any suit, appeal or other proceedings of whatever nature by or against **GINNING COMPANY** be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against **BOMBAY DYEING** in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against **GINNING COMPANY** as if this Scheme had not been made.

4. **BOMBAY DYEING** will on the Scheme being effective take over all such employees of the **GINNING COMPANY** as are willing to join **BOMBAY DYEING** as far as possible on the same terms on which they were employed by **GINNING COMPANY** and their services with **GINNING COMPANY** prior to the Scheme being effective will not be treated as having been broken for the purpose of the Provident Fund or Gratuity or for any other purposes and will be reckoned for all purposes from the date of their respective appointments with **GINNING COMPANY**.

5. Subject to other provisions contained in this Scheme all contracts, deeds, bonds, agreements and other instruments of whatever nature to which **GINNING COMPANY** is a party, subsisting or having effect immediately before amalgamation shall be in full force and effect against or in favour of **BOMBAY DYEING** and may be enforced as fully and effectually as if instead of **GINNING COMPANY**, **BOMBAY DYEING** had been a party thereto.

6. The transfers of property and liability under Clauses 1 and 2 hereof and the continuance of proceedings by **BOMBAY DYEING** under Clause 3 thereof shall not affect any transaction or proceedings already concluded by **GINNING COMPANY** on and after the appointed day to the end and intent that **BOMBAY DYEING** accepts and adopts all acts, deeds and things done and executed by **GINNING COMPANY** in regards thereto and done and executed on behalf of itself and that as from the appointed day **GINNING COMPANY** shall be deemed to have carried on and to be carrying on its business on behalf of **BOMBAY DYEING** until such time as the Scheme becomes effective.

7. In consideration of the transfers aforesaid the 30,100 Ordinary Shares of Rs. 10/- each (being the whole of subscribed and issued capital of **GINNING COMPANY**) held by **BOMBAY DYEING** either in its own name or in the name of its nominees in the capital of **GINNING COMPANY** shall stand cancelled without further act or deed.

8. **BOMBAY DYEING** and **GINNING COMPANY** will apply to the High Court of Judicature at Bombay for sanctioning the Scheme of Amalgamation under the provisions of the Companies Act, 1956, and for such order or Orders as may be necessary for carrying the Scheme into effect and for dissolution of **GINNING COMPANY** without winding up.

9. The Directors of **GINNING COMPANY** and **BOMBAY DYEING** are hereby authorised to (a) solve all difficulties that may arise in connection with the Scheme and for carrying the same into effect, (b) agree to such amendments and modifications in the Scheme as they may in their absolute discretion deem fit, and (c) do all acts, deeds and things necessary for carrying into effect the said Scheme.

10. This Scheme is conditional on it being sanctioned by the High Court of Judicature at Bombay and the necessary Order or Orders under Section 394 of the Companies Act, 1956, being obtained. If the Scheme is not sanctioned on or before the 31st day of March, 1968 or any other extended date in this behalf, the Scheme will become null and void.

THE SECOND SCHEDULE ABOVE REFERRED TO:

Schedule of Immoveable Properties Belonging to the Nowrosjee Wadia Ginning & Pressing Co. Ltd.

PART—I

Properties at Nanded

FIRST

ALL that piece and parcel of land or ground admeasuring 61 acres and 20 Gunthas or thereabouts, of Rayatwari tenure, with the Factory buildings, offices, godowns, sheds, chawls, gardens and wells, and other structures standing thereon and pertaining to the Nanded Factory of The Nowrosjee Wadia Ginning & Pressing Co. Ltd., situate, lying or being in the Village of Wazirabad, Taluka and District Nanded, (in the former territory of H.E.H. the Nizam of Hyderabad) now in the State of Maharashtra, in the registration district and sub-district of Nanded, and bearing Survey No. 71 (old Survey No. 38) and Survey No. 54 (old Survey No. 33) and bounded as follows, that is to say:

On or towards the North partly by land bearing Survey No. 72 and partly by land bearing Survey No. 75;

On or towards the South partly by land bearing Survey No. 56 and partly by land bearing Survey No. 55;

On or towards the East by land belonging to The Nowrosjee Wadia Ginning & Pressing Co., Ltd. and bearing Survey No. 53 (old Survey No. 39) and more particularly described **SECONDLY** hereto; and

On or towards the West by land bearing Survey No. 70.

SECONDLY

ALL that piece and parcel of land or ground admeasuring 15 Acres and 37 Gunthas or thereabouts, (17 Acres and 12 Gunthas as mentioned in the title deeds) of Leasehold tenure, with the Factory buildings, offices, godowns, sheds, chawls, gardens and wells, and other structures standing thereon and pertaining to the Nanded Factory of The Nowrosjee Wadia Ginning & Pressing Co. Ltd. situated, lying or being in the village of Wazirabad, Taluka and District Nanded, (in the former territory of H.E.H. the Nizam of Hyderabad)

now in the State of Maharashtra, in the registration district and sub-district of Nanded, and bearing Survey No. 53 (old Survey No. 39) and bounded as follows, that is to say:

On or towards the North by land bearing Survey No. 72;

On or towards the South by Railway Line;

On or towards the East by land belonging to The Nowrosjee Wadia Ginning & Pressing Co. Ltd. and bearing Survey No. 78 (old Survey No. 41) and more particularly described THIRDLY hereto; and

On-or towards the West by land belonging to The Nowrosjee Wadia Ginning & Pressing Co. Ltd. and bearing Survey No. 54, and more particularly FIRST described hereinabove.

THIRDLY

ALL that piece and parcel of land or ground admeasuring 4 Acres and 6 Gunthas or thereabouts, of Rayatwari tenure, with the Factory buildings, offices, godowns, sheds, chawls, gardens and wells and other structures standing thereon and pertaining to the Nanded Factory of The Nowrosjee Wadia Ginning & Pressing Co. Ltd., situate, lying or being in the Village of Wazirabad, Taluka and District Nanded (in the former territory of H. E.H. the Nizam of Hyderabad) now in the State of Maharashtra in the registration district and sub-district of Nanded, and bearing No. 78 (old Survey No. 41), Survey No. 50/3 and part of Survey No. 77 and bounded as follows, that is to say:

On or towards the North by the remaining part of Survey No. 77;

On or towards the South by Railway Line;

On or towards the East by land bearing Survey No. 49; and

On or towards the West by land belonging to The Nowrosjee Wadia Ginning & Pressing Co. Ltd. and bearing Survey No. 53 (old Survey No. 39) and more particularly described SECONDLY hereto.

PART – ii

Properties at Umri

FIRST

ALL that piece or parcel of land or ground, together with the factory buildings, buildings for engine room, boiler-room, workshop, stores, guest-house, Managers' quarters, labour quarters and other buildings, and together with tanks, wells and other structures standing thereon, situated in the village of Umri in Taluka Bhokar in Nanded District of the State of Maharashtra, bearing Survey No. 139 and ad-measuring approximately 12 Acres and 56 Gunthas, and bounded as follows:

On or towards the North by the land of the Empress Ginning and Pressing Factory and the field of Deshmukh;

On or towards the East by a passage;

On or towards the South by the fields, of Bhagwat Sahu; and Kashinath Shetee; and

On or towards the West by a passage.

SECONDLY

ALL that piece or parcel of land or ground, together with the wells, buildings and structures (if any) standing thereon situated in the village of Umri in Taluka Bhokar in the Nanded District of the State of Maharashtra bearing Survey No. 112, and admeasuring approximately 1 Acre and 18 Gunthas and bounded as follows:

On or towards the North by a nala and by the field of Datta Dada Maharaj;

On or towards the East, by a nala and by the field of Degumbar Dhondiba (Survey No. 119);

On or towards the South by the field of Deshmukh; and

On or towards the West by the field of Chandba Lingram (Survey No. 111/2 A) and the field of Suryakantgirji Dilaramgirji (Survey No. 111/2 B).

THIRDLY

ALL that piece or parcel of land or ground, together with wells, buildings and structures (if any) standing thereon, situated in the village of Umri, in Taluka Bhokar in the Nanded District of the State of Maharashtra bearing Survey No. 111 /2B and admeasuring approximately 1 Acre and 6 Gunthas and bounded as follows:

On or towards the North by the field of Chandba Lingram (Survey No. 111/2A);

On or towards the East by the field of Dilaramgirji (Survey No. 112); On or towards the South by the field of Deshmukh; and On or towards the West by a passage.

Certified to be a true copy this 27th day of February 1968.

Sd/-

For Prothonotary and Senior Master.

At the Annual General Meeting of the Company held on 28th August, 1978 the following Special Resolutions were passed:

SPECIAL RESOLUTION NO. III

“RESOLVED that, subject to the confirmation of the Company Law Board under Section 17 and other applicable provisions, if any, of the Companies Act, 1956, consent of the company be and is hereby accorded to the amendment of Clause 3 of the Company’s Memorandum of Association by the insertion of the following sub-clause XLI after the present sub-clause XL, and by re-numbering the present sub-clause XLI as XLII.”

“XLI. To undertake, carry out, promote, sponsor, or assist in the execution, and promotion of any programme of rural development, including any programme for promoting the social and economic welfare of, or the uplift of, the public in any rural area, and to incur expenditure on any such programme of rural development with power to the Directors to transfer, with or without consideration, or divest the ownership of, any property of the Company, to or in favour of any person or persons, including any public or local body or authority, Central or State Government, any public institution or any trust or fund as the Directors may in their sole and absolute discretion decide.”

SPECIAL RESOLUTION NO. IV

“RESOLVED that, under Section 149(2A) of the Companies Act, 1956, the Company in general meeting hereby approves of the commencement and execution of the programmes covered by Clause 3(XLI) of the Memorandum of Association by the Directors as and when they think fit.”

At the Extraordinary General Meeting of the Company held on 5th March, 1979, the following Special Resolutions were passed:

(i) SPECIAL RESOLUTION NO. I

“RESOLVED that, Clause 5 of the Memorandum of Association of the Company be and it is hereby deleted and in place thereof the following clause be and the same is hereby substituted as Clause 5 of the Memorandum of Association of the Company, viz:-

‘5. The Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 60,00,000 (Sixty Lacs) Shares of Rs. 25/- (Rupees Twenty-five) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.’

(Prior to amendment)

5. The share capital of the Company is Rs.10,00,00,000 (Rupees Ten crores) divided into 40,00,000 (Forty lacs) shares of Rs.25 (Rupees Twenty-five) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.

(ii) SPECIAL RESOLUTION NO. II

“RESOLVED that, the Articles of Association of the Company be amended in the following manner:

In place of the existing Article 3 of the Articles of Association, the following Article shall be substituted, viz:-

‘3. The Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 60,00,000 (Sixty Lacs) Shares of Rs. 25/- (Rupees Twenty-five) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles for the time being in force.’

(Prior to amendment)

3. The share capital of the Company is Rs. 10,00,00,000 (Rupees Ten crores) divided into 40,00,000 (Forty lacs) shares of Rs. 25 (Rupees Twenty Five) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles for the time being in force, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles for the time being in force.

At the Annual General Meeting of the Company held on 23rd August, 1979 the following Special Resolution was passed:

SPECIAL RESOLUTION NO. II

“RESOLVED, pursuant to the provisions of Sections 309, 314 and other applicable provisions of the Companies Act, 1956, that the terms of remuneration payable to the Directors other than the Managing Director and Whole-time Directors be renewed for a further period of five years and that there shall be paid to all the non-managing Directors together, a remuneration by way of commission up to one percent of the net profits of the Company, to be distributed among the non-managing Directors at the discretion of the Board. Such payment shall, however, be made subject to prior payment being made to the Managing Director and Whole-time Directors of the full remuneration payable to them respectively, and provided that the annual net profits of the Company so allow. The net profits shall be computed in the manner referred to in sub-section (1) of Section 198 of the said Act, and the payment of such remuneration shall be subject to the overall maximum managerial remuneration laid down in the said Section 198.”

“RESOLVED FURTHER, for the sake of clarification, that the percentage aforesaid shall be exclusive of the fees payable to a Director for each meeting of the Board or a Committee of the Board attended by him, which fee (pursuant to the Ordinary Resolution passed at the Annual General Meeting held on the 29th April 1964) has been fixed at Rs. 250.”

Clause 5 of the Memorandum of Association as amended by the Special Resolution No. 9 passed at the Annual General Meeting of the Company held on 28th May, 1986

‘5. The Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lacs) Shares of Rs. 10/- (Rupees Ten) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.’

(Prior to amendment)

5. *The Share Capital of the Company is Rs.50,00,00,000/- (Rupees Fifty Crores) divided into 5,00,00,000 (Five Crores) Shares of Rs.10/- (Rupees Ten) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.*

Article 3 as amended by the Special Resolution No. 10 passed at the Annual General Meeting of the Company held on 28th May, 1986

‘3. The Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 1,50,00,000/- (One Crore Fifty Lacs) Shares of Rs. 10/- (Rupees Ten) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles for the time being in force.’

(Prior to amendment)

‘3. *The Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 60,00,000 (Sixty Lacs) Shares of Rs. 25/- (Rupees Twenty Five) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles for the time being in force.*

Clause 5 of the Memorandum of Association as amended by the ordinary Resolution No. 14 passed at the Annual General meeting of the Company held on 22nd August 1988.

5. The Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores)

divided into 5,00,00,000 (Five Crores) Shares of Rs. 10/- (Rupees Ten) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.

(Prior to amendment)

5. *The Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lacs) Shares of Rs. 10/- (Rupees Ten) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the Shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.*

Article 3 as amended by the Special Resolution No. 15 passed at the Annual General Meeting of the Company held on 22nd August, 1988.

3. The Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores) divided into 5,00,00,000 (Five Crores) Shares of Rs. 10/- (Rupees Ten) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.

(Prior to amendment)

'3. The Share Capital of the Company is Rs.15,00,00,000/- (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lacs) Shares of Rs.10/- (Rupees Ten) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles for the time being in force.'

Article 123 as amended by the Special Resolution No. 16 passed at the Annual General Meeting of the Company held on 22nd August, 1988.

123(1) The remuneration of a director shall be Rs. 1,000 per Meeting of the Board or any Committee thereof attended by him or such higher sum as may from time to time be fixed by the Board within the limit prescribed by the Central Government pursuant to the provisions of the Act from time to time. The Directors may also be paid a commission on net profit in accordance with the provisions of Section 309 (4) of the Act.

123(1A) (i) The Board may allow and pay to any Director such sum as the Board may consider fair compensation or for traveling, boarding, lodging and other expenses, in addition to his fees for attending any Meetings of the Board or Committees thereof, or otherwise as may be properly incurred by him in connection with the business of the Company.

(ii) Subject to the provisions of the Act, when any Director is called upon to perform any extra services or make special exertions or efforts (which expression shall include the work done by a Director as a member of any Committee of the Board), the Board may arrange to pay such special remuneration for the extra services or special exertions or efforts either by way of a fixed sum or otherwise as determined by the Board and such remuneration may either be in addition to or in substitution of his remuneration elsewhere specified in the Articles.

(Prior to amendment)

123. (1) *The remuneration of the Directors and of any Committee appointed by the Directors shall be such sum as may from time to time be fixed by the Shareholders at any General Meeting.*

Remuneration
of Managing
Director.

(2) *A Managing Director shall, (subject to the provisions of the Act and of these Articles and of any contract between him and the Company), receive such remuneration, whether by way of salary, or commission, or a specified percentage of the net profits of the Company, or partly in one way and partly in another, as the Directors may determine, subject to the approval of the Company in General Meeting.*

Article 55(1) as amended by Special Resolution No. 8(A) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

Directors may
refuse to register
transfer.

55 (1) Subject to the provisions of Section 111 of the Act the Board may at its discretion decline to register or acknowledge any transfer of shares, whether fully paid or not (notwithstanding that the proposed transferee be already a member), but in such cases it shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal, provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.

(Prior to amendment)

Directors may
refuse to register
transfer.

55 (1) *The Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares, whether fully paid or not (notwithstanding that the proposed transferee be already a member), but in such cases it shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer.*

Article 93 as amended by Special Resolution No. 8(B) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

Questions at
General Meeting –
how decided.

93. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman of the Meeting or by any member or members present in person or by proxy and holding not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum of not less than Rs. 50,000 has been paid up, and unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to

that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.

(Prior to amendment)

93. *At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result on the show of hands) demanded by at least five members having the right to vote on the resolution and present in person or by proxy, or by the Chairman of the Meeting or by any member or members holding not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid-up which is not less than one-tenth of the total sum paid-up on all the shares conferring that right, and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution.*

Questions at General Meeting - how decided.

Addition to Article 139 as amended by Special Resolution No. 8(C) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

139. No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, alongwith a deposit of Rs. 500 (Rupees Five Hundred Only) 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.

Notice of candidate for office of Director except in certain cases.

(Prior to amendment)

139. *No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office.*

Notice of candidate for office of Director except in certain cases.

Addition to Article 176 as amended by Special Resolution No. 8(D) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

176. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer, provided however, that where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered, the Company shall:

Transfer of shares must be registered.

(a) transfer the dividend in relation to such shares to the special account referred to in Section 205A unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and

(b) keep in abeyance in relation to such shares any offer of rights shares under clause (a) of sub-section (1) of Section 81 and any issue of fully paid up bonus shares in pursuance of sub-section (3) of Section 205.

(Prior to amendment)

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

Transfer of shares must be registered.

Article 183 as amended by Special Resolution No. 8(E) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

Copies shall
be sent to each
Member.

183. Subject to the provisions of Section 219 of the Act, a copy of every such Profit & Loss Account and Balance Sheet (including the Auditor's Report and every other document required by law to be annexed or attached to the Balance Sheet) shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to every trustee for the holders of any debentures issued by the Company, whether such member, or trustee is or is not entitled to have notices of general meetings of the Company sent to him; and to all persons other than such members or trustees, being persons so entitled.

(Prior to amendment)

183. A copy of every such Profit and Loss Account and Balance Sheet (including the Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet), shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the Members of the Company, to holders of debentures issued by the Company (not being debentures which ex-facie are payable to the bearer thereof), to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meetings of the Company, including the Public Trustee where, to the knowledge of the Company, the Public Trustee has become entitled to exercise certain voting rights in respect of any shares of the Company, under Section 187B of the Act.

Provided that this Article shall not require a copy of the documents aforesaid to be sent to any Member or holder of debentures of whose address the Company is unaware, or to more than one of the jointholders of shares or debentures, as mentioned in proviso (b) to sub-section (1) of Section 219 of the Act. But this shall be without prejudice to the right of a member or debenture holder, or of any person from whom the Company has accepted a sum of money by way of deposit, to be furnished (with or without payment of a fee) with a copy of the Balance-Sheet and other documents, as provided in sub-section (2) of Section 219.

Addition to Article 185 as amended by Special Resolution No. 8(F) passed at the 109th Annual General Meeting of the Company held on 28th August 1989.

Remuneration of
Auditors.

185. The remuneration of the Auditors shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

(Prior to amendment)

Remuneration of
Auditors.

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

Article 116 as amended by the Special Resolution No.12 passed at the Annual General Meeting of the Company held on 1st August, 1994.

Number of
Directors.

116. Until otherwise determined by a General Meeting, the number of Directors shall not be less than five or more than seventeen inclusive of the Debenture Director and Nominee Director.

(Prior to amendment)

Number of
Directors.

116. Until otherwise determined by a General Meeting, the number of Directors shall not be less than five or more than sixteen inclusive of the Debenture Director and Nominee Director.

New sub-clauses XLII to XLVII were inserted by Special Resolution passed at the Annual General Meeting of the Company held on 21st July, 1995 and by Company Law Board's Order confirming alteration dated 17th April, 1996. Existing Clause XLII is numbered XLVIII.

- XLII (a) To carry on the business of generation, transmission and distribution of electric power and in particular to construct, lay down, establish, operate, fix and carry out thermal and hydraulic power plants and stations, gas turbines and turbines of all types, cables, optic fiber, wires, lines, accumulators, lamps and works, and to generate, acquire by purchase in bulk, accumulate, distribute and supply electricity.
- (b) To carry on the business of manufacturers of and dealers in apparatus, plants, machinery and equipments of all kinds required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity.
- (c) To acquire concessions or licences for the construction and maintenance of electric installations for the production, transmission or use of electric power.
- XLIII To carry on the business of construction of roads, bridges, tunnels, setting up of various infrastructural facilities for village, town/city developments and to carry on the business of builders and developers, contractors, dealers in and manufacturers of prefabricated and precast houses, buildings, and erections and materials, tools, implements, machinery and metalware in connection therewith or incidental thereto and to carry on any other business that is customarily, usually and conveniently carried on therewith.
- XLIV To acquire, utilise, grow, plant, cultivate, breed, produce, to exploit any estates, properties, conveyances, vessels, or lands and to carry out researches and inventions for and with respect to floricultural, agricultural, horticultural, plantation, sericultural, aquacultural and farming purposes and agro-industrial projects and to carry on business of or as producers, millers, grinders, rollers, planters, fishing, processors, preserves, growers, cultivators, packagers, cold storers, traders, buyers and sellers, importers, agents, consultants, dealers, storekeepers and distributors and exporters for any ordinary or specialized floricultural, dairy products, poultry products, agricultural, horticultural, sericultural, aquacultural and agro-industrial products and commodities, including flowers, fruits, vegetables, food grains, pulses, seeds, cash crops, cereal products and flora.
- XLV (a) To own, purchase, charter, hire, lease or otherwise acquire, sell, exchange, let or otherwise deal with, operate, trade in or with steam and other ships, boats and vessels, aircraft and other transports and conveyances of every description propelled or worked or capable of being propelled or worked, by steam, electricity, petrol, oil, gas, or any other motive power or power-producing substance, with all equipment and furniture, build steam and other ships and vessels and to employ the same in the carriage or conveyance by land, sea or air in or between any place or places or port or ports on any seas, rivers, canals or elsewhere, of passengers, mails, troops, munitions of war, live-stock, corn and other produce and of treasure and merchandise and food, articles and goods and things of all kinds, between such ports and places in any part of the world, as may seem expedient, and to establish, maintain and work, lines of steam and other ships, air services and lines of aerial communication and other transports and conveyances between any ports, countries or places which may seem to the Company from time to time expedient, and to acquire any postal and other subsidies.

(b) To carry on in all parts of the world, all or any of the businesses of merchants, carriers by land, water and air, ship owners, aircraft owners, transport owners, dock owners, hanger owners, air-field owners, seaplane base owners, warehousemen, wharfingers, barge owners, lightermen, forwarding and general agents, stevedores, bunkerers and ice merchants and refrigerating store keepers, and of hotel owners and bus owners in all their respective branches in furtherance of or in connection with their business of carriers by land, sea and air and acquiring providing and maintaining the same.

(c) To carry on the business of shipbuilders and repairers and refitters of ships, vessels, tugs, barges, lighters and aircrafts and other transports and conveyances, and manufacturers, operators and/or repairers of engines, boilers, tackles, machinery and any parts required for ships, vessels, aircraft or other modes of conveyance like motor cars, railways and any apparatus for use in connection therewith; and generally to carry on the business of civil and mechanical engineers.

XLVI

(a) To plan, establish, develop, provide, operate and maintain all types of basic and value added telecommunication services including operating/franchising public telecommunication centres, issuing telephone debit cards, issuing telephone calling cards, operating card-based public telephones, publishing telephone directories, telex, wireless, cellular, paging, data communication and the manufacture of communication equipments of all types including subscriber-end equipments, transmission equipments, public switching systems.

(b) To carry on all kinds of businesses of designers, manufactures, processors, assemblers, dealers, traders, distributors, importers, exporters, agents, consultants, system designers and contractors for erection and commissioning on turnkey basis or to deal in any other manner including storing, packing, transporting, converting, repairing, installing, training, servicing, maintenance of all types, varieties and kinds of

(i) telephony equipment, accessories and components thereof for telecommunications, basic and value added communication services and allied activities;

(ii) Equipments for maintenance of telecommunication products/services of all types of peripheral equipments such as computers, printers, terminals, facsimile equipments;

(iii) Radio communication equipments like receivers, transmitters, transceivers, walkie-talkie radio relay equipment, antennas and associated equipment, single channel, multi channel, fixed frequency, variable frequency, static, mobile, airborne, shipborne equipments in HF, VHF, UHF and Microwave, spectrum, TV systems, receivers, transmitters, pattern generators and associated equipments, amplifiers, oscillators, synthesizers, waveform generating, measuring and associated equipments, sonic ultrasonic and radio frequency ranging and depth finding sonar and telemetry coding and data transmission equipments, data acquisition, processing and logging equipments, calculators, computers, mini computers and micro computers, printers, headers, display terminals, facsimile transmitting and receiving equipments and systems;

(iv) Signaling, telecommunicating and control equipments used in roads, railways, ships, aircrafts, ports, airports, railway stations, public places and in generation, transmission and distribution of electric power, along with associated accessories and test rigs;

(v) Instruments, testing equipments, accessories for repairs, maintenance, calibration, and standardization of all the above items in laboratories, service centres, processing plants, manufacturing plants and at customers' places.

(c) To plan, establish, develop, provide and operate/franchise video conferencing centres, providing private net-work services, providing enhanced electronic communication services including on-line data base services, public data networks, electronic messaging services like E-mail, remote computing facilities, fax store-and-forward services, satellite-based services using very small to ultra small aperture terminals, encryption and coding services for data, voice and video transmission, voice-mail services, broadcasting equipments, microphones, amplifiers, loud speakers and telegraphic instruments and equipments and purchase, sell, import, export, repair, renew and deal in all or any of the equipments and parts of the same and also to manufacture the parts and accessories of the said instruments and articles.

- XLVII (a) To carry on and undertake the business of finance, making loans or advances, investment, merchant bankers, underwriters.
- (b) To carry on the business of leasing and hire purchase, finance and to provide on lease or on hire purchase all types of industrial and office plant, equipment, appliances and apparatus, machinery, vehicles, land and buildings.

Sub-clause XXV was substituted pursuant to the Special Resolution passed at the Annual General Meeting of the Company held on 21st July, 1995 and Company Law Board's Order dated 17th April, 1996.

- XXV. To subscribe, invest in and acquire, hold or otherwise deal in any shares, stocks, debentures, debenture stock, warrants, any other financial instruments, bonds obligations and Securities issued or guaranteed by any company constituted or carrying on the business in India or elsewhere or Government, State Government, Semi Government Authorities, local Authorities, Public Sector Undertakings, Financial Institutions, Public Body, any other persons or otherwise.

(Prior to amendment)

- XXV. *To subscribe absolutely, or subject to any condition or contingency for, or purchase or acquire in any way any shares, stock, debentures, debenture-stock or other obligations of any other company of any description.*

New Article 50A was inserted by special resolution passed at the Annual General Meeting of the Company held on 4th September 1997.

DEMATERIALISATION OF SECURITIES

50A (A) For the purposes of this Article, unless the context otherwise requires:

- | | |
|---|-------------------|
| "beneficial owner" means a person whose name is recorded as such with a depository; | beneficial owner. |
| "SEBI Board" means the Securities and Exchange Board of India; | SEBI Board. |
| "bye-laws" means bye-laws made by a depository under Section 26 of the Depositories Act, 1996; | bye-laws. |
| "Depositories Act" means the Depositories Act, 1996 (22 of 1996) including any statutory modification or re-enactment thereof for the time being in force; | Depositories Act. |
| "depository" means a company formed and registered under the Companies Act, 1956 (1 of 1956) and which has been granted a certificate of registration under sub-section (1A) of | depository. |

Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

record.		“record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by the SEBI Board;
regulations.		“regulations” means the regulations made by the SEBI Board;
security.		“security” means such security as may be specified by the SEBI Board.
Dematerialisation of securities.	(B)	Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository.	(C)	Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository. Where a person opts to hold a security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of such information the depository shall enter in its record the name of the allottee as the beneficial owner of that security.
Securities in depositories to be in fungible form.	(D)	All securities held by a depository shall be dematerialised and shall be in a fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.
Rights of depositories and beneficial owners.	(E)	(1) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner. (2) Save as otherwise provided in (1) above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it. (3) Every person holding equity share capital of the Company and whose name is entered as 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 be subjected to all the liabilities in respect of the securities held by a depository.
Depository to furnish information.	(F)	Every depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Option to opt out in respect of any security.	(G)	If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the depository accordingly. The depository shall on receipt of intimation as above make appropriate entries in its records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.
Sections 83 and 108 of the Act not to apply.	(H)	Notwithstanding anything to the contrary contained in the Articles, (1) Section 83 of the Act shall not apply to the shares held with a depository.

- (2) Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.

(I) The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act shall be deemed to be an Index of Members and Register and Index of Debenture holders as the case may be for the purposes of the Act.

Register and Index of beneficial owners.

New Article 5A was inserted by special resolution passed at the Annual General Meeting of the Company held on 3rd August, 1998.

- 5A. Subject to the provisions of the Act, and all other applicable provisions of law, the Company may issue shares, either equity or any other kind, with differential rights as to dividend, voting or otherwise in accordance with such rules and subject to such conditions as may be prescribed and the resolutions authorizing such issue shall prescribe the terms and conditions of the issue.

Power to issue shares with differential rights as to dividend, voting or otherwise.

New Article 23A was inserted by special resolution passed at the Annual General Meeting of the Company held on 3rd August, 1998.

- 23A. Notwithstanding anything contained in these Articles, the Company shall have power, subject to and in accordance with all applicable provision of the Act, to purchase or buy back its own shares or securities whether or not they are redeemable and may pay out of its capital for such purchase or buy-back.

Power of the Company to buy back its own securities.

Article 58 as amended by Special Resolution No. 12 passed at the 120th Annual General Meeting of the Company held on 8th August 2000.

58. In the absence of a nomination recorded in accordance with Section 109A of the Act, which shall in any event have precedence, the executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 61 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.

Title to shares of deceased Member.

(Prior to amendment)

58. *The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognized by the Company as having any title to the shares registered in the name of such member; and the Company shall not be bound to recognize such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and under Article 61 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.*

Title to shares of deceased Member.

IN THE HIGH COURT OF JUDICATURE AT MADRAS
(ORIGINAL JURISDICTION)

Friday, the 20th day of April, 2001

THE HON'BLE MR. JUSTICE N.V.BALASUBRAMANIAN

COMPANY PETITION NO. 61 of 2001.

In the matter of the companies Act, 1956;
and,

In the matter of Scal Investments Ltd.; and

In the matter of Scheme of Arrangement of
Scal Investments Limited, with The Bombay
Dyeing and Manufacturing Company Ltd.

Scal Investments Ltd., a
Company Incorporated under
the Companies Act, 1956 and
having its Registered Office
at Gee Gee Complex, 42, 4th Floor,
Mount Road, Chennai 600 002.
Rep. by its Director,
N. Santhanam,

--- Petitioner/Transferor.

Company Petition praying this court:

1) That the arrangement may be sanctioned by the Court so as to be binding on all the equity shareholders of the said petitioner company and on the said petitioner company and 2) That the court may give directions as to dissolution without winding up of the said petitioner company.

This Company Petition coming on this day before this Court for hearing in the presence of Mr. V. Ramchandran, Senior Counsel for M/s. Anitha Samanth, Advocate for the petitioner in Company Petition No. 61 of 2001 and Mr. H. T. Arunan, Additional Central Government Standing Counsel appearing for the Regional Director, Department of Company Affairs and upon reading the order dated 8.1.2001 and made in Company Application No.18 of 2001 whereby the said Company viz. Scal Investments Ltd., the petitioner company in Company Petition No. 61 of 2001 herein was directed to convene a meeting of the shareholders of the above named company for the purpose of considering and if thought fit approving with or without modification the proposed scheme of amalgamation of the applicant company with The Bombay Dyeing and Manufacturing Company Ltd., (hereinafter referred as the amalgamated company) and the advertisement having been made in one issue of "News Today" and "Makkal Kural" dated 12.1.2001 each containing the advertisement of the said meeting and the report of the Chairman of the said meeting as to the result of the meeting and it appearing from the said report that the scheme of Amalgamation has been approved by requisite statutory majority and the order dated 8.1.2001 and made in Company Application No.18 of 2001 whereby the said company viz. M/s. Scal Investments Limited, the Petitioner Company in Company Petition No. 61 of 2001 herein was directed to convene a meeting of the shareholders of the above named company for the purpose of considering and if thought fit approving with or without modification of the proposed scheme of Amalgamation of the petitioner Company viz. M/s. Scal Investments Ltd., the transferor Company in Company Petition No. 61 of 2001 with Bombay Dyeing and Manufacturing Company Limited, (hereinafter referred to as the amalgamated Company) Company Petition No. 61 of 2001 filed herein

and that the Central Government also having objection for the approval of the scheme of amalgamation and filed their affidavit before this Court on 19.4.2001 and raising three objections the first objection being that the transferee company was registered with the Registrar of Companies at Mumbai and the Scheme of Amalgamation should get the approval of the High Court of Bombay at Mumbai apart from the sanction sought for in the this Petition and this Court having observed that, it is not necessary to express any opinion on this point as it is always open to the transferee company to approach the High Court of Bombay at Mumbai for getting sanction from that Court, and second objection being that the appointed date is fixed as 1.10.2000, but the balance sheet of the transferor company was made upto 31.3.2000 and this Court having held that. However this objection does not merit acceptance, because the creditors have not raised any objection to the Scheme of Amalgamation, and Third objection being that the object of the transferor company is investment whereas it is doing real estate business. Court having heard that this objection also does not merit acceptance, because what is required to be decided in considering a scheme of amalgamation in whether the objects of both the companies are similar and after amalgamation the transferee company would be in a position to carry on the existing business of the transferor company. This Court doth hereby sanction the Scheme of Amalgamation as setout in the schedule hereunder from the effective date and the effective date is defined to mean the date on which the certified copy of the order of this Court vesting the assets, liabilities, rights, duties, obligations and the like of the transferor company in the transferee company is filed with the Registrar of Companies, Tamil Nadu after obtaining approval of this Court, and this Court doth hereby declare the same to be binding on the shareholders of the said companies and on the said companies, and doth further order as follows.

- 1) That the petitioner companies herein do file with the Registrar of Companies, Chennai, a certified copy of the order within 30 days from this date.
- 2) That the parties to the scheme of amalgamation or other person interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to carrying out of this scheme hereunder. and
- 3) That the cost of Rs. 5000/- (Five Thousand) be and is hereby ordered and Mr. H.T. Arunan, ACGSC for Regional Director for Company Affairs Southern Region, Chennai be and is hereby entitled to such cost of said Rs. 5000/-.

SCHEDULE

SCHEME OF AMALGAMATION

SCHEME OF AMALGAMATION BETWEEN SCAL INVESTMENTS LIMITED AND THE BOMBAY DYEING & MANUFACTURING CO.LTD UNDER SECTION 391 READ WITH SECTION 394 OF THE COMPANIES ACT, 1956

This Scheme of Amalgamation is presented for transfer of SCAL INVESTMENTS LIMITED having its Registered Office at Geegee Complex, 4th Floor, 42, Mount Road, Chennai, 600 002 as a going concern to The Bombay Dyeing & Manufacturing Company Limited, having its Registered Office at Neville House, J.N.Heredia Marg, Ballard Estate, Mumbai 400001 pursuant to the relevant provisions of the Companies Act, 1956 (hereinafter to as “the Act”)

1. PRELIMINARY

DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings :

- 1.1 “the Act” means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 “the Appointed Date” means 1st October, 2000 or such other date as may be fixed by the High Court at Chennai.
- 1.3 “the Effective Date means the date on which certified copy of the Order of the High Court of Chennai vesting the assets, liabilities, rights , duties, obligations and the like of the Transferor Company in the Transferee Company is filed with the Registrar of Companies, Tamilnadu after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary thereof.
- 1.4 “the Transferor Company” means – SCAL Investments Limited, a company incorporated under the Act whose Registered Office is situate at Gee Gee Complex, 4th floor, 42, Mount Road, Chennai 600 002.
- 1.5 “the Transferee Company” means The Bombay Dyeing & Manufacturing Company Ltd., a company incorporated under the Act and having its Registered Office is situate at Neville House, J.N. Heredia Marg, Ballard Estate, Mumbai 400001.
- 1.6 “Undertaking” shall mean
 - (a) all the assets and properties of the Transferor Company as on the Appointed Date (hereinafter referred to as “the said assets”)
 - (b) all the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as “the said liabilities”)
 - (c) without prejudice to the generality of sub-clause (a) above, the undertaking of the Transferor Company shall include all the Transferor Company’s reserves, movable and immovable properties, assets, including leasehold rights, tenancy rights , licenses, permits and authorisations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, easements, liberties, advantages, benefits and approvals.
- 1.7 “the Scheme” means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the High Court at Chennai.

2. SHARE CAPITAL

2.1 SCAL Investments Limited – The Transferor Company

The Share Capital of the Transferor Company as of 31st March , 2000 is as under :

<u>Authorised Capital</u>	Amount in Rs.
49,982 Equity Shares of Rs.100/- each	49,98,200/-
18 Non-Cumulative Redeemable Preference Shares of Rs.100/- each	1,800/-

	50,00,000/-

Issued, Subscribed & Paid –Up Capital

24,982 Equity Shares of Rs.100/- each	24,98,200/-
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(The entire paid up capital is held by Bombay Dyeing & Mfg.Co.Ltd the holding company and its nominee)

2.2. The Bombay Dyeing & Manufacturing Company Limited – The Transferee Company.

The Share Capital of the Transferee Company as of 31st March, 2000 is as under :

Authorised Capital	Amount in Rs.
5,00,00,000 Equity Shares of Rs.10 each	50 crores
<u>Issued, Subscribed & Paid –Up Capital</u>	
4,10,01,829 Equity Shares of Rs.10 each	41 crores

PART II – THE SCHEME

1. OPERATIVE DATE OF THE SCHEME

Although the Scheme comes into operation from the Appointed Date it shall only become effective from the Effective Date.

2. TRANSFER OF UNDERTAKING

2.1 With effect from the Appointed Date, the Undertaking of the Transferor Company shall, without any further act, deed, matter or thing, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act, stand transferred to and vest in or be deemed to be transferred to and vest in the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company. In other words, the identity of all the apital assets/ current assets in the hands of the Transferor Company. Moreover, the character of the assets shall not be charged and remain the same as was in the hands of the Transferor Company.

2.2 With effect from the Appointed Date, all the said liabilities shall without any further act, deed, matter or thing, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act , stand transferred to or be deemed to be transferred to the Transferee Company, so as to become from the Appointed Date, the said liabilities of the Transferee Company.

3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

3.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect on or immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable by and against the Transferee Company as fully and effectually as if the Transferee Company had at all material times been a party thereto.

4. LEGAL PROCEEDINGS

- 4.1 If any suit, writ petition, revision, appeal or other proceedings of whatever nature (hereinafter referred to as “the proceedings”) by or against the Transferor Company is pending on or after the Appointed Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme but the Proceedings may be continued prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the scheme had not been made.

5. CONDUCT OF BUSINESS OF UNDERTAKING BY THE TRANSFEROR COMPANY UNTIL EFFECTIVE DATE

- 5.1 With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall :

- (a) carry on and be deemed to carry on the business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Company or losses arising or incurred by it shall for all purpose be treated as the profits or losses of the Transferee Company , as the case may be,
- (b) carry on its business and activities with reasonable diligence and business prudence and shall not without the prior written consent of the Transferee Company alienate, charge, mortgage, encumber or otherwise deal with or dispose of the said Undertaking or any part thereof except in the ordinary course of its business or pursuant to any pre existing obligation undertaken by the Transferee Company prior to the Effective Date.
- (c) not, without the prior written consent of the Transferee Company, undertake any new business or a substantial expansion of its existing business.
- (d) pay all statutory dues (including advance tax) relating to the Undertaking for and on account of the Transferee Company.

The Transferee Company shall be entitled to apply to the central/ state Government and all other agencies, departments and authorities concerned as are necessary under any law, contract or are otherwise considered necessary for such consents, approvals and sanctions which the Transferee Company may require to effectually own and operate the Transferor Company.

6. AUDITED ACCOUNTS

- 6.1 The Accounts of the Transferor Company have been made upto 3th September, 2000 and that of the Transferee Company has been made upto the 31st March, 2000.

7. REVENUE RESERVES, ETC

- 7.1 With effect from the Effective Date, and subject to any corrections and adjustments as may in the opinion of the Board of Directors of the Transferee Company be required - a) the reserves of the Transferor Company will be merged with those of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company and b) the capital and current assets / liabilities of the Transferor Company will likewise be merged with those of the Transferee Company in the same form as they appear in the Financial Statement of the Transferor Company. In other words, the identity of the Reserves Capital and current assets / liabilities of the Transferor Company will be preserved at the hands of the Transferee Company.

- 7.2 Further, in case of any differences in accounting policy between the Companies the impact of the same till the amalgamation will be quantified and adjusted in the Revenue Reserve(s) mentioned earlier to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
8. NO ISSUE OF SHARES BY TRANSFEE COMPANY
- 8.1 The Transferor Company is a wholly owned subsidiary of the Transferee Company and the Transferee Company beneficially holds all the shares issued by the Transferor Company either by itself or jointly with its nominees. On the amalgamation of the Transferor Company with the Transferee Company, no shares of the Transferee Company shall be issued or allotted in respect of the holding of the Transferee Company in the Transferor Company and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the share capital of the Transferor Company held by the Transferee Company shall stand cancelled without any further act or deed.
9. PROFITS , DIVIDEND
- 9.1 Subject to the provisions of the Scheme, the profits of the Transferor Company for the period beginning from 1st October 2000 (the Appointed Date) shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit including declaration of dividend by the Transferee Company in respect of its financial year ending on 31st March, 2000 or any year thereafter.
10. APPLICATIONS TO THE HIGH COURT AT CHENNAI
- 10.1 On the Scheme being approved by the requisite majority of shareholders of the Transferor Company representing the required value, the Transferor Company shall, with all reasonable dispatch, apply under sections 391 and 394 of the Act to the High Court at Chennai for sanctioning the Scheme and for such further order or orders thereunder as the High Court at Chennai may deem fit for carrying the Scheme into effect.
11. MODIFICATION OR AMENDMENTS TO THE SCHEME
- 11.1 The Transferor Company and the Transferee Company through their respective Board of Directors may in their full and absolute discretion assent to any modifications or amendments to the Scheme which the High Court at Chennai and/ or any other competent authority may deem fit to approve and may give such directions as they may consider necessary or desirable for settling any question, doubt or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect. In the event that any modification or amendment to the Scheme is unacceptable to the Transferor Company and / or the Transferee Company for any reason whatsoever the Transferor Company and/or the Transferee Company shall be entitled to withdraw from the Scheme.
- 11.2 For the purpose of giving effect to the Scheme or to carry out any modification or amendment thereto, the Board of Directors of the Transferor Company and the Transferee Company or any Committee thereof is authorised to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question, doubt or difficulty whatsoever that may arise.
12. DISSOLUTION WITHOUT WINDING UP
- 12.1 Upon this Scheme of Amalgamation being sanctioned by the High Court under Section 394 of the Act and on its becoming effective, the Transferor Company shall be dissolved without winding up with effect from the Appointed Date , or such other date as may be fixed by the High Court.

- 12.2 The Transferor Company until its dissolution under this Scheme shall be fully operative and Transferor Company shall have liberty to apply to the Hon'ble High Court at Chennai for such directions as may be necessary for implementing the Scheme as sanctioned by the High Court.

PART III – GENERAL

1. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

1.1 The Scheme is conditional on and subject to:

- (a) the sanction or approval of all persons or authorities concerned being obtained and granted in respect of any of the matters provided for or relating to the Scheme for which such sanction or approval is required.
- (b) the approval to the Scheme by the requisite majorities representing the required values of the shareholders of the Transferor Company.
- (c) the sanction of the High Court at Chennai under Sections 391 and 394 of the Act and to the necessary Order(s) under Section 394 of the Act being obtained.
- (d) Certified copies of the Order(s) of the High Court at Chennai sanctioning the Scheme being filed with the Registrar of Companies Tamilnadu by the Transferor Company.

2. COSTS AND EXPENSES

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this scheme and / or incidental to the completion of amalgamation of the Undertaking of the Transferor Company pursuant to this Scheme shall be borne and paid solely and exclusively by the Transferee Company.

Witness, the Hon'ble Thiru NAGENDRA KUMAR JAIN, the Chief Justice at Madras aforesaid, this the 20th day of April, 2001.

Sd/- S. Soundarapandy
Deputy Registrar (O. S.)

S. R.

Certified to be a true copy:

Dated this the 30th day of April, 2001.

Sd/-
COURT OFFICER

ORDER

DATED : 20.04.2001

The Hon'ble Mr. Justice

C. V. BALASUBRAMANIAN.

For Approval on : 27-4-01

Approved on : 27-4-01

Copy to:

1. The Official Liquidator,
High Court, Madras.
2. The Registrar of Companies,
26, Haddows Road,
Shastri Bhavan, Chennai.

Article 7 (c) as amended by the Special Resolution No. 1 passed at the Extraordinary General Meeting of the Company held on 24th April 2002.

- (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Securities Premium Account before the shares are redeemed;

(Prior to amendment)

- (c) *the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;*

Article 8 as amended by the Special Resolution No. 1 passed at the Extraordinary General Meeting of the Company held on 24th April 2002.

8. The Company may (subject to the provisions of Sections, 78, 80, 100 to 105 inclusive, of the Act) from time to time by Special Resolution, reduce its capital, any Capital Redemption Reserve Account or Securities Premium Account in any manner for the time being authorized by law, and, in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any other power the Company would have if it were omitted.

Reduction of
Capital

(Prior to amendment)

8. *The Company may (subject to the provisions of Sections 78, 80, 100 to 105 inclusive, of the Act) from time to time by Special Resolution, reduce its capital, any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorized by law, and, in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any other power the Company would have if it were omitted.*

Reduction of
Capital

Article 179 as amended by the Special Resolution No. 1 passed at the Extraordinary General Meeting of the Company held on 24th April 2002

179. A General Meeting may direct capitalization of the whole or any part of the undivided profits for the time being of the Company or the whole or any part of the Reserve Fund or Funds (including the Securities Premium Account) of the Company (1) by the distribution among the members or any of them in accordance with their respective rights and in proportion to the amounts paid or credited as paid thereon, of paid up shares, debentures or debenture stock, bonds, or other obligations of the Company or (2) by crediting any shares of the Company, which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid thereon respectively with the whole or any part of the sums remaining unpaid thereon and the Directors shall give effect to such resolution and apply such portion of the profits or Reserve Funds as may be required for the purpose of making payment in full or part for the shares, debenture stock, bonds or other obligations of the Company so distributed, or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on any shares, which may have been issued and are not fully paid up, provided that no such distribution or payment shall be made unless recommended by the Board. Where any difficulty arises in respect of such distribution or payment the Board may settle the same as they think expedient, and in particular they may issue fractional certificates and generally may make such arrangements for the acceptance, allotment and sale of such shares, debentures, debenture stock, bonds or other obligations and fractional certificates, or otherwise as they may think fit, and may make cash payments to any Member on the footing of the value so fixed, in order to adjust the rights, and may vest any shares, debentures, debenture stock, bonds or other obligations in trustees, upon such trusts for adjusting such rights as may seem expedient to the Board. 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

Capitalisation

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 Members holding fully paid shares and partly paid shares the sums so applied in the payment up of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro rata in proportion to the amounts then already paid or credited as paid on the existing fully paid and partly shares respectively. 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 holding the shares of the Company, which shall have been issued prior to such capitalization and such appointment shall be effective.

Provided that notwithstanding anything contained hereinabove, any amounts standing to the credit of the Securities Premium Account may also be utilized (other than for capitalization) in accordance with the provisions of law.

Capitalisation.

(Prior to amendment)

179. A General Meeting may direct capitalization of the whole or any part of the undivided profits for the time being of the Company or the whole or any part of the Reserve Fund or Funds of the Company (1) by the distribution among the members or any of them in accordance with their respective rights and in proportion to the amounts paid or credited as paid thereon, of paid up shares, debentures or debenture stock, bonds, or other obligations of the Company or (2) by crediting any shares of the Company, which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid thereon respectively with the whole or any part of the sums remaining unpaid thereon and the Directors shall give effect to such resolution and apply such portion of the profits or Reserve Funds as may be required for the purpose of making payment in full or part for the shares, debenture stock, bonds or other obligations of the Company so distributed, or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on any shares, which may have been issued and are not fully paid up, provided that no such distribution or payment shall be made unless recommended by the Board. Where any difficulty arises in respect of such distribution or payment the Board may settle the same as they think expedient, and in particular they may issue fractional certificates and generally may make such arrangements for the acceptance, allotment and sale of such shares, debentures, debenture stock, bonds or other obligations and fractional certificates, or otherwise as they may think fit, and may make cash payments to any Member on the footing of the value so fixed, in order to adjust the rights, and may vest any shares, debentures, debenture stock, bonds or other obligations in trustees, upon such trusts for adjusting such rights as may seem expedient to the Board. 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 Members holding fully paid shares and partly paid shares the sums so applied in the payment up of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro rata in proportion to the amounts then already paid or credited as paid on the existing fully paid and partly paid shares respectively. 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 holding the shares of the Company, which shall have been issued prior to such capitalization and such appointment shall be effective.

Clause 5 of the Memorandum of Association being amended by Ordinary Resolution No.2 to be passed through Postal Ballot on 18th October, 2012.

“5. The Authorized Share Capital of the Company is Rs.50,00,00,000/- (Rupees Fifty crores) divided into 25,00,00,000 (Twenty Five crores) equity shares of the face value of Rs.2/- (Rupees Two) each with power to increase or reduce the capital, to divide the shares in the capital for the time being into several classes and to attach thereto respectively

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

(Prior to amendment)

5. *The Share Capital of the Company is Rs.15,00,00,000/- (Rupees Fifteen Crores) divided into 60,00,000 (Sixty Lacs) Shares of Rs.25/- (Rupees Twenty-five) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.*

Article 3 of the Articles of Association being amended by Special Resolution No.3 to be passed through Postal Ballot on 18th October, 2012.

“3. The Authorized Share Capital of the Company is Rs. 50,00,00,000 (Rupees Fifty crores divided into 25,00,00,000 (Twenty Five crores) Equity Shares of the face value of Rs 2/- (Rupees Two) each.”

(Prior to amendment)

‘3. *The Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores) divided into 5,00,00,000 (Five Crores) Share of Rs.10/- (Rupees Ten) each, with such rights, privileges and conditions attaching thereto as may be determined by the Company in General Meeting, with power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions, as may be permitted by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.*

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY SCHEME PETITION NO. 270 OF 2017
IN
COMPANY SCHEME APPLICATION NO. 157 OF 2017

IN THE MATTER OF SECTION 230 to 232 OF THE COMPANIES ACT, 2013 "POWER
TO COMPROMISE OR MAKE ARRANGEMENTS WITH CREDITORS AND
MEMBERS"

(See Rule 3 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016)

IN THE MATTER OF THE BOMBAY DYEING & MANUFACTURING CO. LIMITED
(PETITIONER)

Having its registered office at Neville House, J.N. Heredia Marg, Ballard Estate, Mumbai 400
001, Maharashtra

The Bombay Dyeing and Manufacturing Company Limited
...Petitioner/Transferee Company
AND

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY SCHEME PETITION NO. 244 OF 2017
IN

COMPANY SCHEME APPLICATION NO. 12 OF 2017
(HIGH COURT TRANSFERRED COMPANY SUMMONS FOR DIRECTION (L) NO.
1004 OF 2016)

IN THE MATTER OF SECTION 230 to 232 OF THE COMPANIES ACT, 2013 "POWER
TO COMPROMISE OR MAKE ARRANGEMENTS WITH CREDITORS AND
MEMBERS"

(See Rule 3 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016)
AND

IN THE MATTER OF ARCHWAY INVESTMENT COMPANY LIMITED (PETITIONER)
Having its registered office at Neville House, J.N. Heredia Marg, Ballard Estate, Mumbai 400
001, Maharashtra

Archway Investment Company Limited ...Petitioner/Transferor Company

Called for Hearing

Mr. Venkatesh Dhond, Senior Counsela/wMr. Rohan Rajadhyaksha, Counsel and Ms. Debashree
Dey, Advocate i/b Desai & Diwanji, Advocates for the Petitioners.

Mr. S. S. Ramakanthafor Joint Director for Regional Director.



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Date: 20 June 2017

MINUTES OF THE ORDER

1. Heard Advocates for the parties.
2. The sanction of this Hon'ble Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 to the Scheme of Amalgamation between the Petitioner Companies, i.e. Archway Investment Company Limited ("Archway" or "Transferor Company") with The Bombay Dyeing & Manufacturing Co. Limited ("Bombay Dyeing" or "Transferee Company") and their respective shareholders (hereinafter referred to as "Scheme"), whereunder it is proposed to, *inter alia*, amalgamate, transfer and vest all assets, properties and liabilities of the Transferor Company with the Transferee Company.
3. The Learned Counsel appearing on behalf of the Petitioner Companies states that the Transferor Company is, *inter alia*, an investment company and the Transferee Company is a public listed company, *inter alia*, engaged in the business of selling textiles, manufacture of Polyester Staple Fibre (PSF) and real estate development.
4. The background, rationale and benefits of the Scheme are *inter alia* as follows:
 - i. *The only business activity carried on by the Transferor Company is the activity of holding shares of companies that belong to the same group. This activity can even be carried on by the Transferee Company.*
 - ii. *As the entire share capital of the Transferor Company is held by the Transferee Company, it would be in order to amalgamate the Transferor Company with the Transferee Company.*



iii. *In the circumstances, as the Transferor Company is a wholly owned subsidiary of the Transferee Company, a consolidation of the Transferor Company and the Transferee*

Company by way of amalgamation would lead to a more efficient utilization of capital.

- iv. The proposed Scheme aims at unlocking a better value for the public shareholders of the Transferee Company. As the entire undertaking of the Transferor Company shall be transferred to the Transferee Company, the rights and interests of the shareholders or the creditors of the Transferee Company shall not be affected and the Scheme shall not be prejudicial to the interest of the shareholders of the Transferor Company.*
 - v. The proposed amalgamation will result in administrative and operational rationalization, reduction in overheads and other expenses and prevent cost duplication. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.*
 - vi. The creditors of the Transferor Company will not be affected by the Scheme since the assets of the Transferor and Transferee Companies (taken together) are more than the liabilities of the Transferor and Transferee Companies (taken together). Further even the creditors of the Transferee Company will not be affected by the Scheme since the assets of the Transferor Company are more than the liabilities of the Transferor Company. Further, post the amalgamation, the assets of the Transferee Company shall be greater than its liabilities.*
5. The Board of Directors of the Transferor Company and the Transferee Company have approved the Scheme in their separate meetings held on 08 September 2016; copies of the Board Resolutions approving the Scheme are annexed to the Company Scheme Applications (at Exhibits E-1 and E-2 of the Transferor Company and Exhibits H-1 and H-2 of the Transferee Company).



6. The Learned Counsel for the Petitioner Companies states that, the Petitioner Companies have complied with all the directions given by this Hon'ble Tribunal vide its orders dated 16 February 2017 passed in Company Scheme Application No. 157 of 2017 (*Transferee Company*) and Company Scheme Application No. 12 of 2017 (*Transferor Company*) and that the captioned Company Scheme Petitions have been filed in terms of and in consonance with the orders dated 16 February 2017 passed in the abovementioned Company Scheme Applications.
7. The Learned Counsel appearing on behalf of the Petitioner Companies states that the Petitioner Companies have complied with all directions of this Hon'ble Tribunal and have also filed necessary affidavits recording compliance of the aforesaid orders before this Hon'ble Tribunal. Moreover, the Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and rules made thereunder, as may be applicable. The said undertaking is accepted.
8. The Regional Director has filed a Report on 20 March 2017 ("**RD Report**"), *inter alia*, stating that save and except what is stated in paragraphs IV (1) to (6) of the RD Report, it appears that the Scheme is not prejudicial to the interest of shareholders and public. Paragraphs IV (1) to (6) of the RD Report are reproduced hereunder:

"IV. The observation of the Regional Director on the proposed Scheme to be considered are as under:

- "1. The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of this scheme by this Hon'ble Tribunal may not deter the Income Tax Authority to scrutinize the tax filed by the transferee Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner Company.*



2. *The Transferor Company and the Transferee Company have submitted the proof of serving notice respectively, upon the Income Tax Authorities dated 20.02.2017 & 21.02.2017 respectively for comments. This Directorate has also issued a reminder letter to the Income Tax Department dated 18.04.2017.*
3. *Certificate by the Company's Auditor stating that the accounting treatment if any proposed in the scheme of compromise or arrangement is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013 is not available.*

In this regard it is requested that Petitioner undertake to submit the certificate to comply with the provisions of Section 232(3) proviso.

4. *Petitioner in clause 24 inter alia mentioned that Disclosure in terms of Stock Exchanges/SEBI's Observation letter dated 21.11.2016 are as under.*

Mr. R.A. Shah's matter

- (a) *Mr. R.A. Shah is presently an independent director of the Transferee Company.*
- (b) *Non suit filed accounts (willful defaulter of Rs.1 crore and above as on 31.03.2016 as reflected in the CIBIL/RBI data base classifies one company viz. Essen Computers Pvt. Limited as a willful defaulter and that Mr. R.A. Shah was a director of Essen.*
- (c) *Mr. R.A. Shah was appointed as an alternate director of Essen for a brief period of time and he ceased to be a director in 1992. Mr. R.A. Shah is professional solicitor and in that capacity, he acted as an alternate director of Essen for a short period of time without any financial interest or reward.*



In this regards, it is submitted that as per the Directions of SEBI to bring the above declaration to the Hon'ble Tribunal, the same is mentioned.

5. *Observation has been given by BSE and NSE vide letter dated 21.11.2016. Transferor Company has to undertake to comply with the various provisions of the Circular referred in the letters and comply the requirements mentioned in the letter of BSE.*

6. *The transferor company does not have any provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of its employees.*

In this regards, it is submitted that the protection of interest of Transferor companies Staff, Workmen and Employees"

9. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (1) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies submits that, the Petitioner Companies are bound to comply with all applicable provisions of the income tax act and all tax issues arising out of the Scheme will be met and answered in accordance with law.

10. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (2) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies submits that the Petitioner Companies have noted the facts stated therein.

11. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (3) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies submits, that insofar as the compliance under the provisions of Section 232(3) of the Companies Act, 2013 is concerned, the Transferee Company has obtained a certificate



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dated 08 September 2016 from Kalyaniwalla & Mistry, Chartered Accountants confirming that the accounting treatment, proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133. A copy of the said certificate has been annexed at *Exhibit J* to the Company Scheme Petition No. 270 of 2017 filed by the Transferee Company.

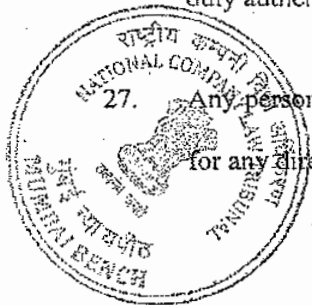
12. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV(4) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies submits that, the Learned Counsel for the Petitioner Companies states that the Transferee Company has already adequately complied with the observation of the Stock Exchanges/ SEBI's Observation letter dated 21 November 2016 and the same has been mentioned in paragraph 24 of the Scheme (*annexed at Exhibit A to the Company Scheme Petition No. 270 of 2017 of the Transferee Company and Company Scheme Petition No. 244 of 2017 of the Transferor Company*).
13. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (5) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies states that, the Transferee Company has adequately complied with the various provisions of the circular referred in the letters and the requirements mentioned in the letter of BSE and this has been taken into consideration in the RD Report in paragraph IV(4).
14. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV(6) of the RD Report is concerned, the Learned Counsel for the Petitioner Companies submits that the interests of the employees of both the Petitioner Companies (*Transferor Company and the Transferee Company*), shall remain unaffected by the Scheme.
15. The Registrar of Companies has filed a Report on 25 April 2017 ("ROC Report"), which does not make any adverse observations.



16. As far as the observation of the Registrar of Companies as stated at point 11 of the ROC Report (*As per MCA Master data the Authorised and paid up Share Capital of the company is Rs. 50,00,00,000/- and Rs. 41,31,00,000/- respectively, however the paid-up capital of the company is not tally with scheme/Petition*) is concerned, the Learned Counsel for the Petitioner Companies submits that the Transferee Company has already addressed a letter dated 12 June 2017 to the Deputy Registrar of Companies requesting that the correct paid up capital be updated in the Master data of the Transferee Company in the Ministry of Corporate Affairs website.
17. The observations of the Regional Director, Western Region have been explained by the Petitioner Companies in paragraph nos. 9 to 14 above. The observations made by the Registrar of Companies is explained by the Petitioner Companies in paragraph no. 15 and 16 above. The clarifications and undertakings provided by the Petitioner Companies are accepted.
18. The Official Liquidator has filed his report on 22 March 2017 in the Company Scheme Application No. 12 of 2017 ("**OL Report**"), *inter alia*, stating that the affairs of the Transferor Company have been conducted in a proper manner. There is no adverse observation made in the OL Report.
19. The Transferor Company may be dissolved without winding up.
20. This Tribunal has received an objection from one shareholder, Mr. Dipak Kumar Jayantilal Shah (holding 40 shares in the Transferee Company, i.e. 0.000% of the total shareholding of the Transferee Company), who has filed an affidavit dated 08 April 2017 before this Hon'ble Tribunal. The Transferee Company has filed an Additional Affidavit dated 25 April 2017 in response to the said objection. After hearing the Learned Counsel for the Petitioners, the Tribunal is of the view that the objections raised by Mr. Dipak Kumar Jayantilal Shah do not come in the way of the sanction of the scheme by the Tribunal.



21. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
22. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 270 of 2017 filed by the Transferee Company is made absolute in terms of prayer clauses 23 (a) to (d) and the Company Scheme Petition No. 244 of 2017 filed by the Transferor Company is made absolute in terms of prayer clauses 23 (a) to (d).
23. The Petitioner Companies are directed to lodge a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-form INC-28 in addition to physical copy, as per the relevant provision of the Companies Act, 2013.
24. The Petitioner Companies to pay costs of Rs. 25,000/- (Rupees Twenty-Five Thousand only) each to the Regional Director, Western Region, Mumbai. The Petitioner Company in Company Scheme Petition No. 244 of 2017 to pay cost of Rs. 25,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of receipt of this order.
25. The Petitioner Companies to lodge a copy of this order and the Scheme duly certified by the Deputy Registrar, Hon'ble NCLT, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable within a period of 60 days, if any from the date of receipt of this order.
26. All concerned regulatory authorities to act on a copy of this order along with the Scheme duly authenticated by the Deputy Registrar, Hon'ble NCLT.



27. Any person interested shall be at liberty to apply to the Hon'ble NCLT in the above matter for any direction that may be necessary.

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Ina Malhotra, Member (J)

Certified True Copy.

Date of Application 21.06.2017

Number of Pages 9

Fee Paid Rs. 45.

Applicant called for collection on 28.06.2017

Copy prepared on 28.06.2017

Copy issued on 28.06.2017



Deputy Director

National Company Ltd. Regional Mumbai Bench

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

C.P.(CAA)/157/2019

In

C.A.(CAA)/1270/2018

and

C.P.(CAA)/161/2019

In

C.A.(CAA)/1271/2018

In the matter of the Companies Act, 2013

and

In the matter of Sections 230 to Section 232 and other applicable provisions of the Companies Act, 2013

and

In the matter of Scheme of Arrangement between Scal Services Limited ("SCAL" or "Demerged Company") and The Bombay Dyeing and Manufacturing Company Limited ("BDMCL" or "Resulting Company") and their respective Shareholders ("Scheme")

Scal Services Limited, a company incorporated)
under the provisions of the Companies Act,)
1956 with its Corporate Identity No.)
U65990MH1983PLC031492 and having its)
Registered Office Raheja Point I, Wing 'A', Pt.)
Jawaharlal Nehru Road, Vakola, Santacruz (E),)
Mumbai - 400055.)Petitioner Company 1

The Bombay Dyeing and Manufacturing)
Company Limited, a company incorporated)
under the provisions of the Indian Companies)
Act, 1866 with its Corporate Identity No.)
L17120MH1879PLC000037 and having its)
Registered Office at Neville House, J. N.)
Heredla Marg, Ballard Estate, Mumbai -) ...Petitioner Company 2
400001.

Order delivered on 21.02.2019

CORAM: Hon'ble Bhaskara Pantula Mohan, Member (Judicial)
Hon'ble V. Nallasanapathy, Member (Technical)



For the Petitioner(s): Mr. Hemant Sethi I/b. Hemant Sethi & Co.

Per: Bhaskara Pantula Mohan, Member (Judicial)

ORDER

1. Heard the learned counsel for the Petitioner Company 1 and Petitioner Company 2. No objector has come before this Tribunal to oppose the Petition and nor any party has controverted any averments made in the Petition. One shareholder, 'Mr. Rohit Mansukhani', holding 0.00775% of shareholding (16,000 shares) in the Petitioner Company 2 has certain objection to the Petitioner Company 1 and the Petitioner Company 2 inter alia the Scheme (defined herein below) through his complaint letter sent to the Petitioner Company 2, to which the Petitioner Company 2 has provided necessary reply. The above-named shareholder does not possess the necessary qualification as required under section 230(4) of the Companies Act, 2013 to apply to this Tribunal as his shareholding is below the threshold limit.
2. The sanction of the Tribunal is sought under Sections 230 to Section 232 and other applicable provisions of the Companies Act, 2013, to the present Arrangement between Scal Services Limited ("SCAL" or "Demerged Company") and The Bombay Dyeing and Manufacturing Company Limited ("BDMCL" or "Resulting Company") and their respective Shareholders ("Scheme"). Petitioner Company 1 and Petitioner Company 2 are together referred to as "Petitioner Companies".
3. The Counsel for the Petitioner Company 1 submits that the Petitioner Company 1 is engaged in, inter alia, the following businesses: (a) Real Estate Business ("Real Estate Business"); and (b) Trading Business including business activities through E-Commerce Platform ("Trading Business").
4. The Counsel for the Petitioner Company 2 submits that the Petitioner Company 2 is engaged in the business of (a) Real Estate Activities (b) Polyester Staple Fibre and (c) Retail of Home Textiles.
5. The Counsel for the Petitioner Companies further submits that the present Scheme inter alia proposes demerger of Demerged Undertaking, as defined in the Scheme, comprising of Real Estate Business of Scal Services Limited, the Demerged Company, as a going concern vesting with The Bombay Dyeing and Manufacturing



Company Limited, the Resulting Company, with effect from Appointed Date of July 1, 2018.

6. The Counsel for the Petitioner Companies further submits that the rationale for the Scheme is as under:
- (a) Helping the Demerged Company to expand its Trading Business which comprises of a platform for digital marketing and distribution of textile products; and
 - (b) Realignment and consolidation of its real estate business undertaking in Resulting Company in efficient manner and building strong capability to effectively meet future challenges in competitive business environment;
 - (c) More focused management and greater visibility on the performance of individual businesses;
 - (d) Synergies in operational process and creation of efficiencies by reducing time to market and benefiting customers as well as optimization of operation and capital expenditure; and
 - (e) Leading to increased competitive strength, cost reduction and efficiencies, productivity gains by pooling the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies thereby significantly contributing to future growth.

The proposed scheme is expected to be beneficial to Demerged Company and Resulting Company and their respective shareholders, creditors and all other stakeholders and will enable Demerged Company and Resulting Company to achieve and fulfil their objectives more efficiently and economically.

7. The Counsel for the Petitioner Companies submits that the Board of Directors of the Petitioner Company 1 and Petitioner Company 2 have approved the said Scheme of Arrangement by passing respective Board Resolution which is annexed to the Company Scheme Petition.
8. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all the directions passed in the order of Company Scheme Application No. C.A(C.A.A)/1270/Mb/2018 of the Petitioner Company 1 and Company Scheme Application No. C.A(CAA)/1271/2018 of the Petitioner Company 2, by the National Company Law Tribunal, Mumbai bench ("NCLT/Tribunal") and that the Company Scheme Petition No. C.P.(CAA)/157/2019 of the Petitioner Company 1 and Company Scheme Petition No. C.P.(CAA)/161/2019 of the Petitioner



Company 2 has been filed in consonance with the respective order passed in abovementioned Company Scheme Application.

9. The Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of the Tribunal and it has filed necessary affidavits of compliance in the Tribunal. Moreover, the Petitioner Companies through the Counsel undertakes to comply with all statutory requirements if any, as required under the Companies Act, 1956 / 2013 and the Rules made there under whichever is applicable. The said undertakings given by the Petitioner Companies are accepted.
10. The Regional Director has filed a Report dated 20th February, 2019. In paragraph IV of the said Report, it is stated that:
- (a) *The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Compromise or Arrangement. Further, the approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities is binding on the Petitioner Company(s).*
 - (b) *In addition to compliance of (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc;*
 - (c) *The Hon'ble NCLT may kindly direct to the Petitioners to file an undertaking to the extent that the Scheme enclosed to the Company Application and the scheme enclosed to the Company Petition are one & same and there is no discrepancy or deviation.*
 - (d) *As per Clause 1.d of the Scheme, Appointed Date means July 1, 2018, or any other date as may be determined by the Appropriate Authority, being the date from which this Scheme shall be deemed to be effective, in the manner described in the Clause 4 of the Scheme. In this regard, it is submitted that Section 232 (6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date.*
 - (e) *The Bombay Dyeing and Manufacturing Company Limited or BDMCL or the Resulting Company is listed company on NSE/BSE. Both the Stock Exchanges have given their observation in their*



letters dated 15.10.2018 and 12.10.2018. In this regard, the Petitioner Company has to comply with the NSE/BSE suggestion.

11. Apropos the observation in paragraph IV (a) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that they have served notices to the concerned authorities which are to be likely effected and the Learned Counsel for the Petitioner Companies further submits that the Scheme by this Hon'ble Tribunal may not deter any authorities to deal with any of the issues arising after giving effect to the scheme and that the decision of authorities is binding on the Petitioner Companies as per law.
12. Apropos the observation in paragraph IV (b) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Petitioner Companies will comply with the applicable Indian Accounting Standards (IND AS as applicable) and the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8, as applicable) etc.
13. Apropos the observations made in paragraph IV (c) of the Report of Regional Director is concerned, the Petitioner Companies undertake and confirm that the Scheme enclosed to the Company Application and the Company Petition are same and there is no discrepancy or deviation.
14. Apropos the observation in paragraph IV (d) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Appointed Date is July 1, 2018.
15. Apropos the observations made in paragraph IV (e) of the Report of Regional Director is concerned, the Petitioner Company 2 through its Counsel undertake to comply with all observations of NSE and BSE.
16. The observations made by the Regional Director have been explained by the Petitioner Companies in paragraph 11 to 15 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted.
17. From the material on record, the Scheme appears to be fair and



reasonable and is not in violation of any provisions of law and is not contrary to public policy.

18. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No C.P.(CAA)/157/2019 filed by the Petitioner Company 1 has been made absolute in terms of prayers in sub-clause (a) and (b) of clause 30 of the Petition.
19. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No C.P.(CAA)/161/2019 filed by the Petitioner Company 2 has been made absolute in terms of prayers in sub-clause (a) and (b) of clause 35 of the Petition.
20. Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme of Arrangement with the concerned Registrar of Companies, electronically, along with E-Form INC-28, in addition to the physical copy within 30 days from the date of issuance of the order by the Registry.
21. Petitioner Companies to lodge a copy of this order and the Scheme duly certified by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the order.
22. Petitioner Company 1 and Petitioner Company 2 to pay cost of Rs. 25,000/- to the Regional Director, Western Region, Mumbai to be paid within four weeks from the date of receipt of the duly certified copy of this Order.
23. All authorities concerned to act on a certified copy of this order along with Scheme duly certified by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai Bench.
24. Any person interested shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

Certified True Copy

Date of Application 28.02.2019

Number of Pages 6

Fee Paid Rs. 30

Applicant called for collection copy on 28.02.2019 SD/-
V. Nalasehapathy Bhaskara Parthula Mohan
Member (J)

Copy prepared on 26.02.2019

Copy Issued on 26.02.2019

B. A. Patel

Dr.
Assistant Registrar

National Company Law Tribunal, Mumbai Bench



SCHEME OF ARRANGEMENT

BETWEEN

SCAL SERVICES LIMITED
[SCAL or Demerged Company]

AND

THE BOMBAY DYEING AND MANUFACTURING COMPANY LIMITED
[BDMCL or Resulting Company]

AND

THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013

(A) PREAMBLE

The Scheme of Arrangement is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for demerger of Real Estate Business Undertaking (defined hereinafter) of Scal Services Limited ("SCAL" or "Demerged Company") vesting into The Bombay Dyeing and Manufacturing Company Limited ("BDMCL" or "Resulting Company") (hereinafter referred to as the "Scheme").

(B) DESCRIPTION OF COMPANIES

- I. SCAL SERVICES LIMITED ("SCAL" or "Demerged Company") is a public company incorporated under the provisions of Companies Act, 1956 having its registered office at Ralieja Point I, Wing 'A', Pt. Jawaharlal Nehru Road, Vakola, Santacruz (E), Mumbai - 400055, Maharashtra. The Demerged Company is engaged in *inter-alia* the following businesses: (a) Real Estate Business ("Real Estate Business") and (b) Trading Business including business activities through E-Commerce Platform ("Trading Business").



- II. **THE BOMBAY DYEING MANUFACTURING AND COMPANY LIMITED** ("BDMCL" or "Resulting Company") is a listed public company whose equity shares are listed on BSE Limited and National Stock Exchange of India Limited (NSE), incorporated and registered under the provisions of the Indian Companies Act, 1866, having its registered office at Neville House, J. N. Heredia Marg, Ballard Estate, Mumbai - 400001. The Resulting Company is engaged in the business of (a) Real Estate Activities (b) Polyester Staple Fibre and (c) Retail of Home Textiles.

(C) **RATIONALE**

Based on rationale mentioned herein the Board of Directors of both the Demerged Company and the Resulting Company have considered and approved this Scheme of Arrangement under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 *inter alia* for Demerger of Real Estate Business Undertaking of SCAL vesting into BDMCL.

- (a) helping the Demerged Company to expand its Trading Business which comprises of a platform for digital marketing and distribution of textile products; and
- (b) Realignment and consolidation of its real estate business undertaking in Resulting Company in efficient manner and building strong capability to effectively meet future challenges in competitive business environment;
- (c) More focused management and greater visibility on the performance of individual businesses;
- (d) Synergies in operational process and creation of efficiencies by reducing time to market and benefiting customers as well as optimization of operation and capital expenditure; and
- (e) Leading to increased competitive strength, cost reduction and efficiencies, productivity gains by pooling the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies thereby significantly contributing to future growth.

The proposed scheme is expected to be beneficial to Demerged Company and Resulting Company and their respective shareholders, creditors and all other stakeholders and will enable Demerged Company and Resulting Company to achieve and fulfil their objectives more efficiently and economically.

(D) **PARTS OF THE SCHEME:**

This Scheme of Arrangement is divided into the following parts:

- **Part I** of the Scheme deals with definitions and interpretations, and sets out the share capital of all Companies which are parties to this Scheme;
- **Part II** of the Scheme deals with demerger of the Demerged Undertaking (*defined hereinafter*) from the Demerged Company as going concern, vesting with the Resulting Company;
- **Part III** deals with general terms and conditions applicable to this Composite Scheme;

- (E) The arrangement under this Scheme will be effected under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The demerger of the Demerged Undertaking of Demerged Company vesting with the Resulting Company shall be in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961 respectively.

PART I
DEFINITIONS AND INTERPRETATIONS



1 **DEFINITIONS**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- (a) **"Act" or "the Act"** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory amendment(s), modification(s) or re-enactment(s) thereof for time being in force;
- (b) **"Accounting Standards"** means the generally accepted accounting principles in India notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and to the extent in force and other relevant provisions of the Act;
- (c) **"Applicable Law"** means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force;
- (d) **"Appointed Date"** means July 1, 2018, or any other date as may be determined by the Appropriate Authority, being the date from which this Scheme shall be deemed to be effective, in the manner described in the Clause 4 of this Scheme;
- (e) **"Appropriate Authority"** means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, or judicial body or authority, including, but not limited, to Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies and National Company Law Tribunal;
- (f) **"Board"** in relation to the Demerged Company and Resulting Company as the case may be, means the Board of Directors of such company, and shall include any Committee of Directors duly constituted and authorized for the purposes of matters pertaining to the arrangement as contemplated under this Scheme and / or any other matter relating thereto;
- (g) **"Demerged Company" or "SCAL"** means Scal Services Limited is a public company, limited by shares, incorporated under the provisions of the Companies Act, 1956 and validly existing under Companies Act, 2013, under Corporate Identity No. U65990MH1983PLC031492 and having its Registered Office at Raheja Point I, Wing 'A', Pt. Jawaharlal Nehru Road, Vakola, Santacruz (E), Mumbai - 400055;
- (h) **"Demerged Undertaking"** means Real Estate Business undertaking being transferred to the Resulting Company under this Scheme on a going concern basis inclusive of but not limited to all assets (movable or immovable, tangible or intangible) including any rights attached thereto or any other right of similar nature, records, the operations, licenses, deferred tax asset, tax credits (including service tax and goods and service tax credit), the liabilities and obligations related to Real Estate Business undertaking. It shall also include any personnel, intellectual property rights including rights registered for Real Estate Business undertaking, or such other rights or tangible or intangible properties belonging to, or forming part of, or relating or appertaining or attributable to the division identified as the Real Estate Business undertaking of the Demerged Company. For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking of the



Demerged Company shall include:

- (i) The liabilities, which arise out of the activities or operations of the Demerged Undertaking of the Demerged Company;
 - (ii) Specific loans and / or other financing facilities raised, incurred and / or utilized solely for the activities or operations of the Demerged Undertaking of the Demerged Company;
 - (iii) Liabilities other than those referred to in Sub-Clauses (i) and (ii) above, and not directly relatable to the Remaining Business of the Demerged Company, being the amounts of general or multipurpose borrowings, if any of the Demerged Company, allocated to the Demerged Undertaking of the Demerged Company in the same proportion which the value of the assets transferred bears to the total value of the assets of the Demerged Company immediately before giving effect to this Scheme.
-
- (i) **"Effective Date"** means the last of the dates on which the certified copies of the Order of the National Company Law Tribunal sanctioning the Scheme of Arrangement is filed with the Registrar of Companies by the Demerged Company and Resulting Company;
 - (j) **"Employees"** means all the employees of the Demerged Company and Resulting Company, as the case may be respectively as on the Effective Date, in relation to Part II and/or Part III of this Scheme;
 - (k) **"IT Act"** means the Income-tax Act, 1961, any re-enactment thereof and the rules, regulations, circulars and notifications issued thereunder, each as amended from time to time and to the extent in force;
 - (l) **"Registrar of Companies" or "RoC"** means the Registrar of Companies having jurisdiction over the Companies forming part of this Scheme;
 - (m) **"Remaining Undertaking"** means all the undertaking, businesses, activities and operations of the Trading Business including business activities through E-Commerce Platform of Demerged Company other than those comprised in real estate business;
 - (n) **"Resulting Company" or "BDMCL"** means **The Bombay Dyeing and Manufacturing Company Limited**, a public company limited by shares incorporated under the provisions Indian Companies Act, 1866 and validly existing under Companies Act, 1956 and Companies Act, 2013, under Corporate Identity No. L17120MH1879PLC000037 and having its Registered Office at Neville House, J N Heredia Marg, Ballard Estate, Mumbai MH 40001;
 - (o) **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Arrangement in its present form submitted to the NCLT or as the case may be this Scheme with such modification(s), if any made, as per Clause 16 of the Scheme;
 - (p) **"Stock Exchanges"** means BSE Limited and National Stock Exchange of India Limited, as may be applicable.
 - (q) **"Tribunal" or "NCLT"** means the National Company Law Tribunal constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 30 to 39 of the Companies Act, 2013.



2 INTERPRETATION

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Income-tax Act, 1961 and other Applicable Laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

In this Scheme, unless the context otherwise requires:

- (i) the words "including", "include" or "includes" shall be interpreted in a manner as though the words "without limitation" immediately followed the same;
- (ii) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- (iii) the words "other", "or otherwise" and "whatsoever" shall not be construed *ejusdem generis* or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (iv) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provisions of this Scheme;
- (v) the term "Clause" or "Sub-Clause" refers to the specified clause of this Scheme, as the case may be;
- (vi) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to legislation or statute includes any subordinate legislation made from time to time under such a legislation or statute and regulations, rules, notifications or circulars issued under such a legislation or statute;
- (vii) Words in the singular shall include the plural and *vice versa*.

3 SHARE CAPITAL

- 3.1 The authorized, issued, subscribed and paid-up share capital of SCAL as on March 31, 2018 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
2,00,000 Equity Shares of Rs.100/- each	2,00,00,000
28,00,000 Unclassified Shares of Rs.100/- each	28,00,00,000
TOTAL	30,00,00,000
Issued, Subscribed and Paid-up Share Capital	
1,60,000 Equity Shares of Rs.100/- each	1,60,00,000
TOTAL	1,60,00,000



Subsequent to the above date and till date of Board approval, there has been no change in the issued, subscribed and paid up capital of SCAL.

- 3.2 The authorized, issued, subscribed and paid-up share capital of BDMCL as on March 31, 2018 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
53,00,00,000 Equity Shares of Rs. 2 each	106,00,00,000
TOTAL	106,00,00,000
Issued, Subscribed and Paid-up Share Capital	
20,65,34,900 Equity Shares of Rs. 2 each fully paid up	41,30,69,800
TOTAL	41,30,69,800

Subsequent to the above date and till date of Board approval, there has been no change in the issued, subscribed and paid up capital of BDMCL.

- 4 **DATE OF TAKING EFFECT AND OPERATIVE DATE**
Each section of the Scheme set out herein in its present form or with any modifications(s) in accordance with Clause 16 of the Scheme shall, unless otherwise specified, be effective from the Appointed Date but operative from the Effective Date.

PART II

TRANSFER OF THE DEMERGED UNDERTAKING FROM THE DEMERGED COMPANY AND VESTING WITH THE RESULTING COMPANY

- 5 **TRANSFER OF DEMERGED UNDERTAKING OF THE DEMERGED COMPANY AND VESTING WITH THE RESULTING COMPANY**

- 5.1 Subject to the provisions of the Scheme in relation to the modalities of demerger and vesting, upon the Scheme coming into effect and with effect from the Appointed Date, the Demerged Undertaking together with all their properties, assets, investments, liabilities, rights, benefits, interests and obligations therein, shall demerge from the Demerged Company and be transferred to, and stand vested with the Resulting Company, and shall become the property of and an integral part of the Resulting Company, subject to existing encumbrances, without any further act, instrument or deed and without any approval or acknowledgement of any third party. Without prejudice to the generality of the above, in particular, the Demerged Undertaking shall stand transferred to and vested with the Resulting Company, in the manner described in Sub-Clauses (a) – (k) below:

- (a) Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property pertaining to the Demerged Undertaking, whether freehold, leasehold and any documents of title, rights and easements in relation thereto, shall



stand transferred and vested with the Resulting Company, and shall become the property and an integral part of the Resulting Company, without any further act, instrument or deed. Upon the Scheme coming into effect, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to and interest in such immovable properties shall be made and duly recorded in the name of the Resulting Company, by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT and the Scheme becoming effective in accordance with the terms hereof. The Demerged Company shall take all steps as may be necessary to ensure that lawful and peaceful possession, right, title, interest of such immovable property of the Demerged Undertaking is given to the Resulting Company in accordance with the terms hereof.

- (b) Upon the Scheme coming into effect and with effect from the Appointed Date, all the assets of the Demerged Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by transfer or by vesting and recording pursuant to the Scheme, shall stand transferred and vested in the Resulting Company, and shall become the property and an integral part of the Resulting Company, without any further act, instrument or deed and without any approval or acknowledgement of any third party. The transfer and vesting pursuant to this Sub-Clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being transferred and vested, and the title to such property shall be deemed to have been transferred and vested accordingly.
- (c) The intercompany balances, loans and advances, debentures, intercompany agreements, if any, pertaining to the Demerged Undertaking, outstanding between the Demerged Company and the Resulting Company in respect of the Demerged Undertaking will stand cancelled.
- (d) Upon the Scheme coming into effect and with effect from the Appointed Date, any and all other movable property (except those specified elsewhere in this Clause) including all sundry debts and receivables, outstanding loans and advances, if any, relating to the Demerged Undertaking, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any with government, semi-government, local and other authorities and bodies, customers and other persons shall, without any act, instrument or deed and without any approval or acknowledgement of any third party become the property of the Resulting Company.
- (e) Upon the Scheme coming into effect and with effect from the Appointed Date, all debts, liabilities, duties and obligations, secured or unsecured, relating to the Demerged Undertaking, including financial obligations arising out of the loans of the Demerged Company and general and multipurpose borrowings, if any, dealt with in accordance with Section 2(19AA) of the IT Act, shall become and be deemed to be, the debts, liabilities, duties and obligations of the Resulting Company, without any further act, instrument or deed. The Resulting Company shall meet, discharge and satisfy the same to the exclusion of the Demerged Company. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other persons who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Sub-Clause. However, the Demerged Company and the Resulting Company shall, if



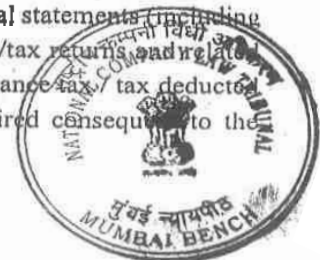
required, file appropriate forms with the ROC accompanied by the sanction order of the NCLT or a certified copy thereof and execute necessary deeds or documents in relation to creation / satisfaction / modification of charges to the satisfaction of the lenders, in relation to the assets being transferred to the Resulting Company as part of the Demerged Undertaking and / or in relation to the assets remaining in the Demerged Company after the demerger and vesting of the Demerged Undertaking with the Resulting Company pursuant to this Scheme becoming effective in accordance with the terms hereof.

- (f) Upon the Scheme coming into effect and with effect from the Appointed Date, all incorporeal or intangible property of or in relation to the Demerged Undertaking shall stand transferred to and vested with the Resulting Company, and shall become the property and an integral part of the Resulting Company without any further act, instrument or deed and without any approval or acknowledgement of any third party.
- (g) Upon the Scheme coming into effect and with effect from the Appointed Date, all letters of intent, memorandum of understanding, memoranda of agreements, tenders, bids, experience and / or performance statements, contracts, deeds, bonds, agreements, insurance policies, guarantees and indemnities, schemes, arrangements, undertakings and other instruments of whatsoever nature or description, in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, shall be in full force and effect against or in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto, without any further act, instrument or deed and without any approval or acknowledgement of any third party.
- (h) Upon the Scheme coming into effect and with effect from the Appointed Date, all rights, entitlements, licenses, applications and registrations relating to copyrights, trademarks, service marks, brand names, logos, patents and other intellectual property rights of every kind and description, whether registered, unregistered or pending registration, and the goodwill arising there from, relating to the Demerged Undertaking, to which either the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible or entitled, shall become the rights, entitlement or property of the Resulting Company and shall be enforceable by or against the Resulting Company, as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or the holder or owner thereof.
- (i) Upon the Scheme coming into effect and with effect from the Appointed Date, all permits, grants, allotments, recommendations, rights, entitlements, licenses and registrations, approvals, clearances, tenancies, privileges, powers, taxes, tax credits (including, but not limited to, credits in respect of income tax (including carry forward tax losses including unabsorbed depreciation etc.), sales tax, GST Credits, value added tax, turnover tax, excise duty, service tax, goods and service tax, minimum alternate tax credit, facilities of every kind and description of whatsoever nature, in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, shall be enforceable by or against the Resulting Company, as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.
- (j) Upon the Scheme coming into effect and with effect from the Appointed Date, any statutory or regulatory licenses, grants, allotments, recommendations, no-objection



certificates, permissions, registrations, approvals, consents, permits, quotas, exemptions, entitlements or rights required to carry on the operations of the Demerged Undertaking or granted to the Demerged Company in relation to the Demerged Undertaking shall stand transferred and vested with the Resulting Company, without any further act, instrument or deed and without any approval or acknowledgement of any third party. The benefit of, and the obligations under, all such statutory and regulatory licences, permissions, grants, allotments, recommendations, no-objection certificates, permissions, registrations, approvals, consents, permits, quotas, exemptions, entitlements or rights required to carry on the operations of the Demerged Undertaking shall also stand transferred to and vested with and become available to the Resulting Company pursuant to this Scheme without any further act, instrument or deed and without any approval or acknowledgement of any third party. If the consent or approval of any licensor or authority is required to give effect to the provisions of this Sub-Clause, the said licensor or authority shall make and duly record the necessary substitution/endorsement in the name of the Resulting Company pursuant to the Scheme becoming effective in accordance with the terms hereof.

- (k) It is clarified that in accordance with applicable provisions of tax laws, upon the Scheme coming into effect and with effect from the Appointed Date:
- (i) all tax liabilities, tax dues, any tax at source deducted or suffered or any entitlement to refund / advance tax paid and all obligations of and claims by or on behalf of the Demerged Company in relation to the Demerged Undertaking until the Appointed Date shall continue to remain the obligations, entitlements and claims of the Demerged Company;
 - (ii) to the extent permitted by Section 72A(4) of the IT Act carry forward tax losses and unabsorbed depreciation of the Demerged Company in relation to the Demerged Undertaking until the Appointed Date shall be treated as the carry forward tax losses and unabsorbed depreciation, as the case may be, of the Resulting Company and shall be available for utilisation by the Resulting Company;
 - (iii) all indirect tax credit (including MODVAT / CENVAT / service tax / goods and service tax etc.) of the Demerged Company in relation to the Demerged Undertaking until the Appointed Date shall be treated as credit of, the Resulting Company and shall be available for utilisation by the Resulting Company;
 - (iv) all future incentives, un-availed credits and exemptions and other statutory benefits whether relating to direct or indirect taxes including but not limited to excise (including MODVAT / CENVAT), customs, value added tax, sales tax, service tax, goods and service tax to which any of the Demerged Company is entitled in relation to the Demerged Undertaking shall be available for the benefit of the Resulting Company and shall stand transferred and vested in the Resulting Company without any further act, instrument or deed required by either the Resulting Company or the Demerged Company and without any approval or acknowledgement of any third party as if all such incentives, exemptions and entitlements had arisen to and were always the incentives and entitlements of the Resulting Company.
- (l) Upon the Scheme coming into effect, the Demerged Company and the Resulting Company shall be entitled to file / revise / reopen their financial statements (including balance sheet and profit and loss statement) and its statutory/tax returns and related tax payment certificates and to claim refunds/credits and advance tax / tax deducted at source / minimum alternate tax credits as may be required consequent to the



Implementation of the Scheme.

- 5.2 The Resulting Company shall at any time upon the Scheme coming into effect and in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking to which the Demerged Company has been a party, in order to give formal effect to the above provisions.

6 CONSIDERATION

- 6.1 Upon this Scheme becoming effective and upon vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company in terms of this Scheme, the Resulting Company shall without any further application or deed, issue and allot Preference Shares, credited as fully paid-up, to the extent indicated below, to the members of the Demerged Company (other than the Resulting Company being a member in the Demerged Company), holding fully paid up equity shares in the Demerged Company and whose names appear in the Register of Members of the Demerged Company on the Effective Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as may be recognized by the Board of Directors of the Resulting Company in the following manner:

3 (Three) fully paid up 8% Redeemable Non-convertible Non-Cumulative Preference Share of Rs. 100 each of the Resulting Company shall be issued and allotted for every 1 (One) equity share of Rs. 100 each held in the Demerged Company.

- 6.2 The Preference Shares shall be issued on terms and conditions consistent with the principal terms and conditions set out in Schedule I.
- 6.3 The Shares to be issued by the Resulting Company pursuant to Clause 6.1 above shall be issued in physical form by the Resulting Company, unless otherwise requested in writing by the shareholders of the Demerged Company and Shares issued pursuant to Scheme shall not be listed in any stock exchange(s) unless required by any extant regulations.
- 6.4 The Resulting Company shall, if necessary and to the extent required, increase or reclassify its Authorized Share Capital to facilitate issue of Preference Shares under this Scheme.
- 6.5 The Preference Shares to be issued by the Resulting Company to the equity shareholders of the Demerged Company shall be subject to the Scheme and the Memorandum and Articles of Association of the Resulting Company.
- 6.6 It is hereby clarified that while issuing Preference Shares by the Resulting Company to any equity shareholders of the Demerged Company in respect of fractional entitlements, if any, as on the date referred to in Clause 6.1, of such equity shareholder, such fractional entitlements, if any, of such equity shareholders of the Demerged Company shall be rounded off to the nearest highest integer.
- 6.7 On the approval of the Scheme by the equity shareholders of the Resulting Company



pursuant to Section 230 to 232 of the Companies Act, 2013 it shall be deemed that equity shareholders of the Resulting Company have also accorded their consent under sections 23, 42, 55 and 62 of the 2013 Act and/or other provisions of the Act and rules made thereunder as may be applicable for the aforesaid issuance of Preference Shares of the Resulting Company, as the case may be, to the shareholders of the Demerged Company, and all actions taken in accordance with this Clause 6.1 of this Scheme shall be deemed to be in full compliance of sections 23, 42, 55 and 62 of the 2013 Act and other applicable provisions of the Act and that no further resolution or actions under sections 42, 55 and 62 of the 2013 Act and/or any other applicable provisions of the Act and ruled made thereunder, including, *inter alia*, issuance of a letter of offer by the Resulting Company shall be required to be passed or undertaken.

7 ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY AND RESULTING COMPANY

7.1 In the books of the Demerged Company:

Pursuant to the Scheme coming into effect, with effect from the Appointed Date, the Demerged Company shall account for the demerger, in its books of account in accordance with the accounting standards prescribed under section 133 of the Act as applicable and general accepted accounting principles in India in the following manner:

7.1.1 The Demerged Company shall transfer all assets and liabilities pertaining to the Demerged Undertaking as on the Appointed Date at the values appearing in its books of account and correspondingly reduce from its books of account, the book values appearing on Appointed Date in accordance with the provisions of section 2(19AA) of the Income Tax Act;

7.1.2 The difference i.e. the excess or shortfall, as the case may be, of the net book value of assets over the liabilities transferred pertaining to or attributable to the Demerged Undertaking, and demerged from the Demerged Company pursuant to the Scheme, shall be carried to Capital Reserve.

7.2 In the books of the Resulting Company:

Recording the transfer of assets and liabilities on demerger:

Pursuant to the Scheme coming into effect, with effect from the Appointed Date, the Resulting Company shall account for the demerger, in its books of accounts such that:

7.2.1 The Resulting Company shall initially record the assets and liabilities of the Demerged Undertaking, transferred to and vested in it pursuant to this Scheme, at their respective book values as appearing in the books of account of the Demerged Company immediately before the demerger in accordance with the provisions of section 2(19AA) of the Income Tax Act;

7.2.2 The Resulting Company shall credit its share capital account with the face value of New Preference Shares issued in accordance with Clause 6.1.

7.2.3 The surplus / deficit between the value of Net Assets ("Net Assets" means excess of value of assets over the value of liabilities as per Clause 7.2.1) pertaining to the Demerged Undertaking and the amount of New Preference Shares issued under Clause 6.1 above shall be credited to capital reserve / debited to goodwill as the case may be.

7.2.4 Having recorded the transfer of the assets and the liabilities as aforesaid, the Resulting Company shall make necessary adjustments such that all the assets and liabilities acquired (including assets and liabilities not specifically recognized by the Demerged company in its financial statements), as well as shares issued and the resultant goodwill arising on demerger are reflected at their acquisition date fair values as required in compliance with the mandatory Indian Accounting Standards, specifically, Ind AS 101.



'Business Combinations', notified under Section 133 of the Act, read with the rules made there under and other Generally Accepted Accounting Principles. Further, acquisition related costs will also be accounted in accordance with the requirements of Ind AS 103 'Business Combinations'.

8 RECLASSIFICATION OF AUTHORISED SHARE CAPITAL OF RESULTING COMPANY

- 8.1 Upon sanction of this Scheme, 2,00,00,000 (Two Crore) equity shares of face value of Rs. 2 each of the Resulting Company is to be reclassified as 4,00,000 (Four Lakh) Preference Shares of Rs. 100 each of the Resulting Company. Accordingly with effect from the Effective Date, the Authorised Share Capital of the Resulting Company shall stand to Rs. 106,00,00,000/- (Rupees One Hundred Six Crores only) divided into 51,00,00,000 (Fifty One Crore) Equity Shares of Rs. 2 each and 4,00,000 (Four Lakh) Preference Shares of Rs. 100 each and Clause 5 (Capital Clause) of the Memorandum of Association and Clause 3 of Articles of Association of the Resulting Company shall stand altered as under:

Clause 5 of Memorandum of Association

5. The Authorized Share Capital of the Company is Rs. 1,06,00,00,000 (Rupees One Hundred and Six Crores) divided into 51,00,00,000 (Fifty One Crore) equity shares of the face value of Rs. 2/- (Rupees Two) and 4,00,000 (Four Lakh) preference shares of the face value of Rs. 100/- (Rupees Hundred) each with the power to increase or reduce the capital, to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred or special rights, privileges, or conditions as may be determined by or in accordance with the regulations of the Company to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

Clause 3 of Articles of Association

3. The Authorized Share Capital of the Company is Rs. 1,06,00,00,000 (Rupees One Hundred and Six Crores) divided into 51,00,00,000 (Fifty One Crore) equity shares of the face value of Rs. 2/- (Rupees Two) and 4,00,000 (Four Lakh) preference shares of the face value of Rs. 100/- (Rupees Hundred) each

- 8.2 It is clarified that the approval of the members of the Resulting Company to this Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Resulting Company as may be required under Sections 13, 14, 61 and 64 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the Companies Act, 1956.

9 REMAINING UNDERTAKING OF DEMERGED COMPANY

- 9.1 The Remaining Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and remain vested in and be managed by the Demerged Company.
- 9.2 All proceedings by or against the Demerged Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Undertaking of the Demerged Company (including those relating to the property, right, power, liability, obligation or duties of the Demerged Company in respect of the remaining undertaking) shall be continued and enforced against the Demerged



Company.

- 9.3 If proceedings are taken against the Resulting Company in respect of matters referred to in Clause 9.2 above relating to the Remaining Undertaking, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company, against all liabilities and obligations incurred by the Resulting Company in respect thereof.

10 EMPLOYEES

- 10.1 On the Scheme becoming operative, all staff and employees of the Demerged Company pertaining to the Demerged Undertaking in service on the Effective Date shall be deemed to have become staff and employees of the Resulting Company without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favourable than those applicable to them with reference to their employment in the Demerged Company.
- 10.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts, if any, created or existing for the benefit of the staff and employees of the Demerged Company pertaining to the Demerged Undertaking or all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company in relation to the Demerged Undertaking in relation to such Fund or Funds shall become those of the Resulting Company. It is clarified that the services of the staff and employees of the Demerged Company pertaining to the Demerged Undertaking will be treated as having been continuous for the purpose of the said Fund or Funds.
- 10.3 With effect from the date of filing of the Scheme with the NCLT and up to and including the effective date, the Demerged Company shall not vary the terms and conditions of employment of any of the employees of the Demerged Company pertaining to the Demerged Undertaking except in the ordinary course of business or without the prior consent of Board of Directors of the Resulting Company or pursuant to any pre-existing obligation undertaken by the Demerged Company.

11 CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

Till the Effective Date:

- 11.1 The Demerged Company shall carry on and be deemed to have carried on business and activities relating to Demerged Undertaking and shall stand possessed of all its assets and properties referred to above, in trust for the Resulting Company and shall account for the same to the Resulting Company. The Demerged Company shall hold the said assets with utmost prudence until the Effective Date.
- 11.2 All profits or income arising or accruing in favour of the Demerged Company in relation to Demerged Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, Service tax, goods and service



tax, taxes withheld / paid in foreign country, value added tax credit, CENVAT credit etc.) or losses / expenses arising or incurred by the Demerged Company in relation to Demerged Undertaking shall, for all purpose, be treated as and deemed to be the profits or income, taxes or losses or expenses, as the case may be, of the Resulting Company.

12 LEGAL PROCEEDINGS

- 12.1 If any suit, appeal or other proceedings of whatever nature by or against the Demerged Company relating to the Demerged Undertaking is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of this demerger or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings shall be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Demerged Company as if the Scheme had not been made.
- 12.2 On and from the Effective Date, the Resulting Company shall be entitled to initiate or continue all legal proceedings in relation to the Demerged Undertaking vested with the Resulting Company.

13 CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 13.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Demerged Undertaking, to which the Demerged Company are a party, or the benefit to which the Demerged Company may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Resulting Company and may be enforced as fully and effectively as if instead of the Demerged Company, the Resulting Company had been a party or beneficiary thereto.
- 13.2 As a consequence of the demerger of the Demerged Company vesting with the Resulting Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Demerged Company to the Resulting Company, whether relating to any licence, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority subject to appropriate documentation by the Resulting Company.

14 SAVING OF CONCLUDED TRANSACTIONS

The demerger, transfer and vesting of the Demerged Undertaking with the Resulting Company and the continuance of proceedings by or against the Demerged Company until the Effective Date, to the extent it relates to the Demerged Undertaking shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

PART III

GENERAL TERMS AND CONDITIONS

15 APPLICATION TO NCLT

- 15.1 The Demerged Company and Resulting Company shall make all necessary applications



petitions under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the said Act to the NCLT for sanction of this Scheme under the provisions of the law.

16 MODIFICATION OR AMENDMENTS TO THE SCHEME

- 16.1 Subject to approval of the NCLT, the Demerged Company and Resulting Company by their respective Board of Directors or any duly authorized committee may make or consent to any modifications or amendments to the Scheme, or to any conditions or limitations that the NCLT or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by the respective Board of Directors or committees, including withdrawal of this Scheme and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect. No modification or amendment to the Scheme will be carried out or effected by the respective Boards without approaching the NCLT.
- 16.2 The Demerged Company and Resulting Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration is / are imposed by the NCLT or any other authority is unacceptable to them or otherwise if so mutually agreed.
- 16.3 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Demerged Company and Resulting Company or any other duly authorized committee thereof are authorized severally to give such directions including directions for settling any question of doubt or difficulty that may arise under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith, and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.

17 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 17.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and / or creditors of the Demerged Company and Resulting Company, as may be directed by the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable
- 17.2 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law or regulations or otherwise may be necessary for the implementation of this Scheme.
- 17.3 Certified or authenticated copy of the Order(s) of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by Demerged Company and Resulting Company as may be applicable.

18 EFFECT OF NON-RECEIPT OF APPROVALS

- 18.1 In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the Order not being passed as aforesaid before September 30, 2019 or within such further period or periods as may be agreed upon between Demerged



Company and Resulting Company by their respective Board of Directors (and which the Board of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

19 COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of Demerged Company and Resulting Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Demerged Company and Resulting Company as may be mutually agreed upon by the Board of Directors of respective Companies.

20 ACTION TAKEN BY SEBI / RBI

The following disclosure is made pursuant to observation letters of BSE and NSE dated October 12, 2018 and October 15, 2018 respectively in relation to Citurgia Biochemicals Limited ("Citurgia") against which SEBI has passed interim and confirmatory order with regard to non-compliance to Minimum Public Shareholding (MPS) norms:

20.1 The below mentioned promoters of BDMCL are presently holding following percentage of shareholding in Citurgia Biochemicals Limited ("Citurgia"):

S.N.	Name	% of holding in Citurgia
a)	Mr. Nusli Neville Wadia	0.04%
b)	Mr. Jehangir N Wadia	0.01%
c)	Mr. Ness N Wadia	0.01%
d)	Ms. Maureen N Wadia	0.01%
e)	Ms.Dina Neville Wadia	0.01%
f)	Nessville Trading Pvt. Ltd.	0.02%
g)	Nowrosjee Wadia and Sons Limited	0.06%
	Total	0.16%

20.2 In this regard, it is clarified that the above persons were earlier promoters of Citurgia which was declared sick in the year 2004, by the order of Board for Industrial and Financial Reconstruction (BIFR) for revival of the Citurgia, which inter alia entailed reduction of Capital of the Citurgia followed by infusion of funds by induction of co-promoters by subscribing to the shares by way of preferential allotment and currently above persons collectively hold only 0.16% share capital in Citurgia.

Further, the above persons do not have any direct or indirect control and interest whatsoever in Citurgia except for miniscule shareholding as mentioned above.



Schedule 1
Terms of Issue of Redeemable Preference Shares (RPS)

Sr. No.	Particulars	Terms
1	Face Value	The RPS issued pursuant to Clause 6.1 of the Scheme shall have a face value of Rs. 100 (Rupees Hundred) per RPS
2	Coupon	8% (Eight per cent) per annum, payable annually, subject to deduction of taxes at source if applicable
3	Accumulation of dividend	The RPS shall be non-cumulative, non-convertible and non-participating in nature.
4	Voting Rights	Non-voting except in accordance with Section 47 of the Companies Act, 2013.
5	Tenure	36 (Thirty Six) months from the date of allotment
6	Redemption	The Resulting Company shall have an option to redeem the Preferences Shares any time within 36 months from the date of allotment of such Preference Shares, at par.
7	Listing	The Preference Shares will not be listed on any stock exchange(s) unless required by the extant regulations.

Certified True Copy

Date of Application 25.02.2019

Number of Pages 12

Fee Paid Rs. 85

Applicant called for collection copy on 26.02

Copy prepared on 26.02.2019

Copy Issued on 26.02.2019

B.A. Paid

Asst. Secy.
Assistant Registrar

National Company Law Tribunal, Mumbai Bench



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

COMPANY SCHEMEM PETITION NO.161 OF 2019

IN

COMPANY SCMEM APPLICATION 1271 OF 2018

In the matter of the Companies Act, 2013;

AND

**In the matter of Sections 230 to Section 232 and other
applicable provisions of the Companies Act, 2013**

AND

**In the matter of Scheme of Arrangement between Scal
Services Limited ("SCAL" or "Demerged Company")
and The Bombay Dyeing and Manufacturing
Company Limited ("BDMCL" or "Resulting
Company") and their respective Shareholders
("Scheme")**

Bombay Dyeing and Manufacturing Company Limited...Petitioner Company

**CERTIFIED COPY OF ORDER DATED 21th
DAY OF FEBRUARY 2019 AND THE
SCHEME ANNEXED TO THE PETITION**

HS

**HEMANT SETHI & CO
ADVOCATES FOR PETITIONER**

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