
MEMORANDUM OF ASSOCIATION
OF
NOCIL LIMITED
WITH
ARTICLES OF ASSOCIATION

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

Fresh Certificate of Incorporation Consequent upon Change of Name

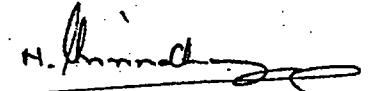
Corporate Identity Number : L99999MH1978PLC012003

In the matter of M/s NATIONAL ORGANIC CHEMICAL INDS LIMITED

I hereby certify that NATIONAL ORGANIC CHEMICAL INDS LIMITED which was originally incorporated on Twelfth day of June Nineteen Hundred Seventy Eight under the Companies Act, 1956 (No. 1 of 1956) as NATIONAL ORGANIC CHEMICAL INDS LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A21411178 dated 14/09/2007 the name of the said company is this day changed to NOCIL LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Mumbai this Fourteenth day of September Two Thousand Seven.




(CHINNACHAMY N)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies

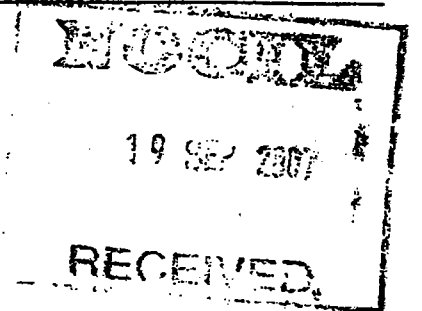
महाराष्ट्र, मुंबई

Maharashtra, Mumbai

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

NOCIL LIMITED
MAFATLAL HOUSE H T PAREKH MARG BACKBAY RECLAMATION, CHURCHGATE,
MUMBAI - 400020,
Maharashtra, INDIA





Form I. R.

CERTIFICATE OF INCORPORATION

No. 12003 OF 1961-62

I hereby Certify that "NATIONAL ORGANIC CHEMICAL INDUSTRIES LIMITED" is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

Given under my hand at BOMBAY this ELEVENTH day of MAY, One thousand nine hundred and SIXTY ONE (21st Vaisakha 1883).

Sd/- S. K. DUTT

*Registrar of Companies,
Maharashtra*





सत्यमेव जयते

No. 12003

Certificate For Commencement of Business

Pursuant of section 149 (3) of the Companies Act, 1956

I hereby certify that the NATIONAL ORGANIC CHEMICAL INDUSTRIES LIMITED

which was incorporated under the Companies Act, 1956, on the ELEVENTH day of MAY 1961,

and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 149 (1)(a) & (b) / 149 (2) (a) & (b) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at Bombay

this Fourth day of October

One thousand nine hundred and Sixty Two (12th Asvina, 1984)

T. J. Gondhalekar
(T. J. GONDHALEKAR)
Registrar of Companies,
MAHARASHTRA



(1956)-2B-8-57-6,000

Recd

MEMORANDUM OF ASSOCIATION
OF
NOCIL LIMITED*

- I. The name of the Company is "NOCIL LIMITED"**
- II. The registered office of the Company will be situated in the State of Maharashtra.**
- III. The objects for which the Company is established are:**
 - (1) To carry on the business of manufacturing of and dealers in chemicals, chemical compounds and chemical products of any nature and kind whatsoever, and as wholesale and retail chemists and druggists, chemical engineers, analytical chemists, importers, exporters, manufacturers of and dealers in heavy chemicals, acids, alkalis, petrochemicals, chemical compounds and elements of all kinds (solid, liquid and gaseous), drugs, medicines, pharmaceuticals, antibiotics etc., tannins, tannin extracts, essences, solvents, plastics of all types, dyes, dyestuffs, intermediates, textile auxiliaries, artificial silks, staple fibres, and synthetic fibres of all kinds and types, regenerated fibres or filaments, cellophane, colours, paints, varnishes, disinfectants, insecticides, fungicides, deodorants, as well as biochemical, pharmaceutical, medicinal, sizing, bleaching, photographic and other preparations and articles of any nature and kind whatsoever.
 - (2) To carry on all or any of the businesses following, namely, cotton spinners and doublers, flax, hemp and jute spinners, linen manufacturers, flax, hemp, jute and wool merchants, wool combers, worsted spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers, printers and processors and makers of vitriol, bleaching, dyeing, printing and other processing materials, and to purchase, comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances, and to weave or otherwise manufacture, buy and sell and deal in linen, cloth and other goods, and fabrics, whether textile, frebled netted or looped and to supply power, and to carry on or be interested in the business of flour mill proprietors, pressing and ginning mill proprietors, oil mill proprietors, paper mill proprietors and ice manufacturers in all their branches and either in Mumbai or other parts of India.
 - (3) To carry on the business of manufacturers of and dealers in all kinds and classes of paper, board and pulp including paper pulp, photographic paper, glass paper, paste boards, card boards, straw boards, pulp board, leather board, mill board, corrugated board, duplex and triplex boards, hard boards, plywood boards, soda pulp, mechanical pulp, sulphite pulp, chemical and semi-chemical pulp, etc., including such pulp as is manufactured from all types of raw materials such as timber, bamboos, grasses, sugar-cane bagasse, cotton linters, lint, cotton waste etc. and all kinds of coated papers with all types of materials, resins and plastics.

[*Pursuant to the Special Resolution passed at the Annual General Meeting of the Company held on 27th August, 2007, the name of the Company has been changed from "NATIONAL ORGANIC CHEMICAL INDUSTRIES LIMITED" to "NOCIL LIMITED"]

- (4) To carry on in all its branches the business of producers, manufacturers, purchasers, processors, refiners, importers, exporters, sellers of and dealers in cement, asbestos, alumina cement, portland cement, lime and lime stone, kankar plasters, gypsum, gypsum board, plastic board, artificial stone and materials of every kind used in the manufacture thereof, whiting, clay, concrete, gravel, sand, sacks, bricks, tiles, building materials of all kinds and all materials analogous to or connected therewith and the business of miners, metallurgists, builders, contractors, quarry owners and to purchase and vend all materials, raw products or otherwise and all articles in any way connected with the said business and to acquire, erect, construct, establish, operate and maintain cement factories, limestone quarries, workshops and other works.
- (5) To exploit and render fit for use, deposits of salt, natron, natural soda, nitrates, natural brines and seawater, and to manufacture therefrom any kind of chemicals and other products and by-products, and to carry on the business of manufacturers, exporters and importers of and dealers in salt, table salt, potassium chloride, magnesium chloride and allied substances.
- (6) To refine, treat and render merchantable and fit for use natural deposits of sulphur, salt, brine, natron, soda, kieselguhr, nitrates and other chemical substances of all kinds obtained as aforesaid and to manufacture therefrom by any electrolytic, metallurgic or other forms of plant or process every kind of chemical and other products and by-products and deal in the same.
- (7) To fix atmospheric nitrogen by the synthesis of ammonia or by any other process or processes and to manufacture nitrogen compounds of all kinds and deal in the same.
- (8) To carry on the business of manufacturers, importers, exporters of and dealers in fertilisers, including synthetic and other fertilisers, manures, dips, sprays, vermifuges, medicines and remedies of all kinds for agricultural, horticultural or other purposes and remedies for animals.
- (9) To carry on the trade or business of manufacturers of and dealers in explosives and accessories of all types including safety fuses, gas-masks and apparatus of all kinds and of whatever composition and whether for military, sporting, mining, industrial or agricultural purposes or for any other purpose, and to manufacture, deal in, import and export solid, liquid and gaseous chemicals and accessories.
- (10) To acquire, own and exploit collieries and to manufacture from coal, coke, and other solid, liquid and gaseous fuels by any process including distillation or hydrogenation of coal, water gas and other gases; and to carry on the distillation of coal-tar for the production of coal-tar chemicals and products of all kinds.
- (11) To carry on the business of importing, exporting, prospecting and boring for, extracting, pumping, drawing, transporting, refining and dealing in natural gases, petroleum and other mineral oils and fuels and of manufacturing all kinds of petroleum products and by-products and to construct, lay down and maintain pipe-lines, pumping stations, and other appliances for the transportation of natural gases, petroleum and other products.

- (12) To carry on the business of a gaswork in all its branches and to deal in, manufacture and render saleable coke, coal-tar, creosote oil, pitch, asphalt, ammonia and other products obtained in the manufacture of gas.
- (13) To work mines or quarries and to prospect for, search for, win, get, crush, smelt, calcine, concentrate, refine, dress amalgamate, manipulate, prepare for market or otherwise exploit, import, export or deal in metals, and metallic and non-metallic minerals of all kinds, precious and other stones, and to carry out all kinds of mining and metallurgical operations and to carry on the business of manufacturing metals and metallic alloys including special alloys of all kinds and to manufacture galvanized and plated and clad irons and steels as well as other metals of all kinds.
- (14) To carry on the business of producers as well as refiners of all kinds of metals including all precious metals and as manufacturers, importers, exporters of and dealers in sheets, circles, rods, electrodes and wires of all metals and alloys, including precious metals and also as manufacturers of solders of all kinds including silver solders.
- (15) (a) To carry on the trades or business of iron masters, steel makers, steel converters, colliery proprietors, coke manufacturers, miners, smelters, engineers, tin-plate makers and iron founders, in all their respective branches.
- (b) To search for, get, work, raise, make merchantable, sell and deal in iron, coal, ironstone, brick-earth, bricks, and other metals, minerals and substances and to manufacture and sell fuel.
- (c) To carry on business as manufacturers of chemicals and manures, distillers, dye makers, gas makers, metallurgists, and mechanical engineers.
- (16) To irrigate, cultivate, improve and develop lands and properties, whether belonging to the Company or not, and to develop the resources thereof by cleaning, draining, fencing, cultivating, planting, manuring, farming, letting or otherwise and to carry on the business usually carried on by planters and plantation owners.
- (17) To cultivate, grow and produce and deal in agricultural and vegetable products of all kinds, grass, wood, timber, cotton, coffee, cocoa, tobacco, rubber, indigo, sugarcane, oil seeds and essential oil producing seeds, plants, herbs, flowers, fruits and tubers, drugs, medicinal plants and tannin materials of all kinds and other raw materials that are the produce of land, and to sell, purchase and deal in the same and to carry on all or any of the businesses of farmers, dairymen, seedsmen, and nursery-men and to buy, sell and trade in any goods usually traded in any of the above businesses.
- (18) To carry on the business of distillers, manufacturers of and dealers in spirits and alcohols of all kinds and description as well as other bio-chemical and fermentation products and derivatives thereof.
- (19) (a) To carry on the manufacture and sale of medicines and preparations, and generally to carry on the business of manufacturers, buyers, and sellers of and dealers in all kinds of medicines and medical preparations and drugs whatsoever.

- (b) To carry on all or any of the businesses of chemists, druggists, chemical manufacturers, and dealers, drysalters, importers and manufacturers of and dealers in pharmaceutical and medicinal preparations.
 - (c) To manufacture, buy, sell, and deal in mineral waters, wines, cordials, liqueurs, soups, broths, and other restoratives or food, specially suitable or deemed to be suitable for invalids and convalescents.
 - (d) To assist, promote, establish, and contribute to, manage, control or support sick funds, and any associations or institutions for providing, upon any terms and conditions, medicines, drugs, medical and surgical preparations and apparatus, and restoratives during sickness or illness.
- (20) To construct, lay down, establish, operate and maintain power stations employing all sources of energy and to do all such things as may be required in connection therewith and to use, manufacture and put up apparatus and instruments for generation, accumulation, distribution, supply and employment of electricity or any power or energy.
- (21) To carry on all or any of the businesses of engineers, metal founders, metal welders, smiths, machinists, metal rollers, tool makers, wire drawers, sheet manufacturers, tube, pipe, and tank manufacturers, moulders, metallurgists, metal workers, fitters, millwrights, galvanisers, electroplaters and enamellers.
- (22) To acquire the right to use and to put up telegraphs and telephone lines, exchanges, radio and television stations and teleprinters and telex.
- (23) To carry on the business of a water works company in all its branches and to sink and bore wells and shafts and to make build, construct, lay down and maintain dams, reservoirs, canals, water-works, cisterns, culverts, filter beds mains and other pipes, pipelines and appliances and to execute and do all other acts and things necessary or convenient for obtaining, storing, purifying, sterilising, selling, delivering, measuring, distributing and dealing in water, and disposal of sewage by any method or process.
- (24) To carry on business as manufacturers, producers, importers and exporters of, dealers and brokers in and to buy, sell, make advances upon or otherwise traffic in chemicals, metals, materials, substances, products, goods, articles and merchandise of all kinds.
- (25) To acquire, construct, maintain, carry out, improve, work, alter, control and manage any roads, ways, tramways, railways, sidings, ropeways, bridges, boats, steamships, airways, tunnels, water rights, wharves, canals, irrigation works, reservoirs, furnaces, stamping works, smelting works, factories, warehouses, shops, stores and other works and conveniences which the Company may think conducive to any of its objects and to contribute to and take part in constructing, maintaining, carrying out improving, working, controlling and managing any such works or conveniences.
- (26) To purchase, take on lease or exchange, hire or otherwise acquire real and personal property of all kinds and in particular land, oil wells, refineries, mines, mining rights, minerals, ores, buildings, machinery, plant, stores, licenses, concessions, easements and other rights and privileges which it may seem necessary or convenient to obtain for the purpose of or in

connection with any of the businesses of the Company and whether for the purpose of resale or realisation or otherwise.

- (27) (a) To purchase, take on lease, or otherwise acquire, hold and work any lands producing rubber trees, or suitable for the planting, cultivation and growth of rubber trees, and any concessions, rights, powers, and privileges over any such lands.
- (b) To carry on the business of planters and cultivators of rubber plants, and any other plants producing anything of a similar character.
- (28) To carry on business of pharmaceutical manufacturing, and general chemists and druggists, and manufacturers of and dealers in all kinds of toilet requisites, and manufacturers of all kinds of boxes and cases wholly of card, wood, metal or otherwise, and printers, colour printers, publishers, stationers, candle makers, manufacturers of perfumes, collectors of flowers and perfume-producing vegetation.
- (29) (a) To further the search for, development, production, transport, refining and acquisition in India or elsewhere, of solid, liquid and gaseous hydrocarbons and other minerals and their products and by-products.
- (b) To carry on the business of extracting, pumping, drawing, transporting and purifying and dealing in petroleum and other mineral oils and their products and by-products.
- (c) To search for, inspect, examine and explore, work, take on lease, purchase, or otherwise acquire lands and places which may seem to the Company capable or possibly capable of affording a supply of raw materials or substances or articles suitable for any business of the Company.
- *(29A) To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare of, or the uplift of the people in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "programme of rural development" shall also include any programme for promoting the social and economic welfare of, or the uplift of the people in any rural area which the Directors consider it likely to promote and assist rural development, and that the words "rural area" shall include such areas as may be regarded as rural areas under the Income-tax Act, 1961, or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institution or Trust or Fund as the Directors may approve.

* Sub-clauses (29A) and (29B) were added in terms of the Special Resolution passed at the Extra-ordinary General Meeting of the Company held on 30th December, 1977 and confirmed by the Company Law Board, Western Region Bench, Mumbai, vide its order dated 24th July, 1978 in Company Petition No. 52(17) CLB.WR of 1978.

- *(29B)** To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of the national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the people or any section of the people and in such manner and by such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc., or for organising lectures or seminars likely to advance these objects or for giving merit awards, scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting, or assisting any institution, fund, trust, etc. having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any Public Institution or Trust or Fund as the Directors may approve.
- (30)** To erect, construct, enlarge, alter, maintain buildings, works and structures of every kind necessary or convenient for the Company's business.
- (31)** To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, abandon, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.
- (32)** To sell and mortgage and otherwise in any other manner deal with or dispose of the property, assets or undertaking of the Company or any part thereof, for such consideration as the Company may think fit and in particular for shares, stocks, debentures and other securities of any other company whether or not having objects altogether or in part similar to those of the Company.
- (33)** To search for and to purchase or otherwise acquire from any Government, State or Authority any licenses, concessions, grants, decrees, rights, powers and privileges which may seem to the Company capable of being turned to account and to work, develop, carry out, exercise and turn to account the same.
- (34)** To build, construct, alter, maintain, enlarge, pull down, remove or replace, and to work, manage and control any buildings, offices, factories, works, shops, machinery, engines, roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, water-courses, wharves, electric works and other works and conveniences which may seem calculated, directly or indirectly, to advance the interests of the Company, and to join with any other person or company in doing any of these things.
- (35)** To purchase or otherwise acquire, protect, prolong and renew any patents, rights, brevet d'inventions, licenses, protections and concessions which may appear likely to be advantageous or useful to the Company and to use

- and turn to account the same and to grant licenses or privileges in respect of the same.
- (36) To establish, provide, maintain and conduct or otherwise subsidise research laboratories, experimental stations, workshops, and libraries for scientific, industrial and technical research and experiments; to undertake and carry on scientific, industrial, economic and technical research, surveys and investigations; to promote studies, research, investigation and invention, both scientific and technical by providing, subsidising, endowing, or assisting laboratories, colleges, universities, workshops, libraries, lectures, meetings, exhibitions and conferences and by providing for the remuneration to scientists, scientific or technical professors or teachers and the award of scholarships, grants and prizes to students, research-workers and inventors or otherwise, and generally to encourage, promote and reward studies, research, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the businesses of the Company.
- (37) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, public places and theatres, by radio, by television, by circulars, by purchase and exhibition of works of art or interest, by publication of books, pamphlets, bulletins or periodicals, by organising or participating in exhibitions and by granting prizes, rewards and donations.
- (38) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above businesses or any of them or calculated, directly or indirectly, to enhance the value of or render profitable any of the properties or rights of the Company.
- (39) To aid, pecuniarily or otherwise, any association, body or movement having for an object, the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (40) To provide for the welfare of employees or ex-employees of the Company and the wives, widows, families or dependents of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, gratuities, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other funds, institutions and trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and assistance as the Company shall think fit.
- (41) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes or for any exhibition.
- (42) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds

for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or Officers of the Company or of any such other company as aforesaid, and the wives, widows, families, and dependents of any such persons, and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

- (43) To establish, promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights, and liabilities of the Company or for any other purpose which may seem, directly or indirectly, calculated to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures or other securities of any such other company.
- (44) To subscribe for, take, or otherwise acquire, and hold shares, stock, debentures, or other securities of any other company having objects altogether or in part similar to those of the Company, or carrying on any business capable of being conducted so as, directly or indirectly, to benefit the Company.
- (45) To acquire and undertake all or any part of the business, property and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of the Company, or which can be carried on in conjunction therewith or which is capable of being conducted so as, directly or indirectly, to benefit the Company, and to subsidise or assist any such person or company financially or otherwise and in particular by subscribing for or guaranteeing the subscription of shares, stock, debentures, debenture-stock or other securities of such company.
- (46) To take or otherwise acquire and hold or to underwrite shares, stock or securities of any other company.
- (47) To amalgamate with any company or companies.
- (48) To undertake and execute any trust, the undertaking of which may seem to the Company desirable and either gratuitously or otherwise.
- (49) To amalgamate, enter into partnership or into any arrangement for sharing or pooling of profits, amalgamation, union of interest, co-operation, joint adventures, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in, any business or transaction which may seem capable of being carried on or conducted so as, directly or indirectly to benefit the Company.

- (50) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture - stock, contracts, mortgages, charges, obligations, instruments and securities of any company or any authority, supreme, municipal, local or otherwise or of any person whomsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
- (51) To vest any immovable or movable property, rights or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company, and with or without any declared Trust in favour of the Company.
- (52) To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money of or any such persons or companies and generally to give guarantees and indemnities.
- (53) To procure the Company to be registered or recognised in any foreign country or place.
- (54) To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital including any underwriting or other commissions, brokers' fees and other charges and to remunerate by cash or allotment of fully or partly paid shares to any person, firm or company for services rendered or to be rendered in introducing any property or business to the Company or in placing, assisting to place or guaranteeing the subscription of any shares, debentures, debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the acquisition of property by the Company or the conduct of its business or for any other reason which the Company may think proper.
- (55) To draw, accept, make, endorse, discount and negotiate promissory notes, hundies, bills of exchange, bills of lading and other negotiable or transferable instruments.
- (56) To borrow or raise or secure the payment of money, or to receive money on deposit at interest for any of the purposes of the Company, and at such time or times and in such manner as may be thought fit and in particular by the issue of debentures or debenture-stock, perpetual or otherwise, including debentures or debenture-stock convertible into shares of this Company or any other company or perpetual annuities and as securities for any such money so borrowed, raised or received, or of any such debenture-stock so issued, to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem, or pay off any such securities; and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company as the case may be.

- (57) To invest moneys of the Company in and subscribe for, take acquire and hold shares, stock, debentures or securities of any other company or corporation whatsoever and wheresoever, and to invest moneys of the Company on any other securities and in any other manner, including the purchase of any book or other debts.
- (58) To pay, or satisfy the consideration for any property, rights, shares, securities, or assets whatsoever, which the Company is authorised to purchase, or otherwise acquire, either by payment in cash, or by the issue of shares, or other securities of the Company, or in such other manner as the Company may agree or partly in one mode and partly in another or others.
- (59) To apply for, promote and obtain any Act of Parliament or Legislature, charter, privilege, concession, license or authorisation of any Government, State or municipality, provisional order or license of the Board of Trade or other authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly, to prejudice the interests of the Company.
- (60) To enter into any arrangements with any Government or authorities, supreme, municipal, local or otherwise, or any person or company that may seem conducive to the objects of the Company, or any of them, and to obtain from any such government, authority, person or company any rights, privileges, charters, contracts, licenses, and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply therewith.
- (61) To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any special or other fund whether for depreciation, or for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or for any other purposes whatsoever conducive to the interest of the Company.
- (62) To place, to reserve, or to distribute as dividend or bonus among the members or otherwise to apply any moneys received by way of premium on shares or debentures issued at a premium by the Company or any moneys received in respect of dividends accrued on, or arising from the sale of forfeited shares or unclaimed dividends.
- (63) To distribute any of the property of the Company amongst members in specie or kind.
- (64) To act as agents or brokers and as trustees for any person or company and to undertake and perform sub-contracts.
- (65) To do all or any of the above things 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.

- (66) To do all such other things as are incidental or as the Company may think conducive to the attainment of the above objects or any of them.

And it is hereby declared that the word "Company" in this Memorandum when applied otherwise than to this Company shall be deemed to include any authority, partnership or other body of persons whether incorporated or not incorporated and whether domiciled in India or elsewhere and the intention is that the objects specified in each paragraph of this clause shall have the widest possible construction and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph or the name of the Company.

IV. The liability of the members is limited.

- V. The Authorised Share Capital of the Company is Rs. 1200,00,00,000 (Rupees One Thousand Two Hundred Crores only) divided into 120,00,00,000 (One Hundred Twenty Crores) Equity Shares of Rs. 10 (Rupees ten only) each with rights, privileges and conditions attaching thereto with power to vary and modify or abrogate such rights, privileges and conditions as may be provided. The Company has power to increase or reduce the capital of the Company and to divide the shares and capital for the time being into several classes and to attach thereto such preferential deferred, qualified or special rights, privileges or conditions.

Names of Subscribers	Addresses and description of Subscribers	Number of shares taken by each Subscriber	Names, Addresses and Description of Witnesses
ARVIND N. MAFATLAL	10, Altamount Road, Mumbai 26 Industrialist	11 Equity	AMBALAL SHANKERLAL PARIKH, Solicitor, 51, Mahatma Gandhi Road, Mumbai 1.
YOGINDRA N. MAFATLAL	10, Altamount Road, Mumbai-26 Industrialist	11 Equity	AMBALAL SHANKERLAL PARIKH
R.N. MAFATLAL	10, Altamount Road, Mumbai-26 Industrialist	11 Equity	AMBALAL SHANKERLAL PARIKH
H.B. MAFATLAL	10, Altamount Road, Mumbai-26 Industrialist	11 Equity	AMBALAL SHANKERLAL PARIKH
VIJAYALAXMI NAVINCHANDRA	10, Altamount Road, Mumbai-26 Investor	1 Equity	AMBALAL SHANKERLAL PARIKH
MRS. SHARDA BHAGUBHAI	10, Altamount Road, Mumbai-26 Investor	1 Equity	AMBALAL SHANKERLAL PARIKH
K.K. MAHADEVIA	B-5, Mafatlal Park, Bhulabhai Desai Road, Mumbai 26 Industrialist	1 Equity	AMBALAL SHANKERLAL PARIKH
JAYANTILAL D. VASA	E-10, Mafatlal Park, Bhulabhai Desai Road, Mumbai-26 Investor	1 Equity	AMBALAL SHANKERLAL PARIKH
for THE STANDARD MILLS COMPANY LIMITED Mafatlal Gagalbhai & Sons By YOGINDRA N. MAFATLAL Partner <i>Managing Agents</i>	Mafatlal House, Backbay Reclamation, Mumbai-1 Investor	53 Equity	AMBALAL SHANKERLAL PARIKH
	Total	101 Equity	

Dated at Mumbai, this 4th day of May, 1961

**ARTICLES OF ASSOCIATION
OF
NOCIL LIMITED***

TABLE "A" EXCLUDED

1. The regulations contained in the Table marked "A" in Schedule I to the Companies Act, 1956 (hereinafter called the Act or the said Act) shall not apply to the Company except so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. Table "A" not to apply

The regulations for the management of the Company and for the observance of the members thereto and their representatives shall subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to the regulations by special resolution as prescribed or permitted by section 31 of the Act, be as are contained in these Articles. Company to be governed by these Articles

INTERPRETATION

2. The marginal notes hereto shall not affect the construction hereof. Marginal notes not authoritative
- In these Articles, unless there be something in the subject or context inconsistent therewith: Interpretation clause
- (i) "Alter" and "Alteration" shall include the making of additions and omissions. "Alter"
- (ii) "The Company" means "NOCIL LIMITED". "The Company"
- (iii) "Body Corporate" or "Corporation" includes a company incorporated outside India but does not include – "Body Corporate"
- (a) a corporation sole;
- (b) a co-operative society registered under any law relating to co-operative societies; and
- (c) any other body corporate (not being a company as defined in the Act) which the Central Government may by notification in the Official Gazette specify in this behalf.
- (iv) "A Company" shall include a company as defined in section 3 of the Act. "A Company"
- (v) "The Act" or "the said Act" means the Companies Act I of 1956 and subsequent amendments and other Acts for the time being in force in India containing the provisions of the Legislature in relation to companies. "The Act"
- (vi) "The Directors" means the Directors for the time being of the Company or as the case may be, the Directors assembled at a meeting of the Board or acting by circular under the Articles. "The Direction"

[*Pursuant to the Special Resolution passed at the Annual General Meeting of the Company held on 27th August, 2007, the name of the Company has been changed from "NATIONAL ORGANIC CHEMICAL INDUSTRIES LIMITED" to "NOCIL LIMITED"]

- "Debenture" (vii) "Debenture" includes debenture-stock, bonds and other securities of the Company, whether constituting a charge on the assets of the Company or not.
- "Document" (viii) "Document" includes summons, notice, requisition, order, other legal process and registers, whether issued, sent or kept in pursuance of this or any other Act or otherwise.
- "Dividend" (ix) "Dividend" includes bonus.
- "Board" (x) "Board" means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board meeting or acting by circular under the Articles.
- "Member" (xi) "Shareholder" or "Member" means the duly registered holders of the shares from time to time and includes the subscribers to the Memorandum of Association of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.
- "Month" (xii) "Month" means calendar month.
- "Office" (xiii) "Office" means the registered office for the time being of the Company.
- "Ordinary Resolution and Special Resolution" (xiv) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned to these terms by section 189 of the Act.
- Variation (xv) "Variation" shall include abrogation; and "vary" shall include abrogate.
- "The Seal" (xvi) "The Seal" means the Common Seal of the Company for the time being.
- "Writing" (xvii) "Writing" shall include printing, lithography and any other mode or modes of representing or reproducing words in a visible form or partly one and partly the other.
- "Singular Number" (xviii) Words importing the singular number shall also include the plural number and vice-versa.
- "Gender" (xix) Words importing the masculine gender shall also include the feminine gender.
- "Corporation" (xx) "Corporation" shall include a company whether incorporated and formed under the Act or not.
- "Persons" (xxi) "Persons" shall include corporations as well as individuals.
- (xxii) "Beneficial owner" shall mean beneficial owner as defined in Clause (a) of sub-section (1) of section 2 of the Depositories Act, 1996.
- (xxiii) "Depositories Act" shall mean and include the Depositories Act, 1996 and any statutory modifications or re-enactments thereof from time to time.
- (xxiv) "Depository Act" shall mean a Depository as defined under Clause (e) of the sub-section (1) of the Depository Act, 1996.

Expression in the Act to bear the same meaning in Articles

Subject as aforesaid, any words or expression' defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

3. The Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Re. 1/- (Rupee one), a copy each of the following documents as in force for the time being:
- Copies of the Memorandum and Article to be furnished by Directors
- (a) the Memorandum,
 - (b) the Articles, if any,
 - (c) the Agreement, if any, entered into or proposed to be entered into by the Company with any person appointed or to be appointed as its Managing Agent or as its Secretaries and Treasurers, and
 - (d) every other agreement and every resolution referred to in section 192 of the Act if and in so far as they have not been embodied in the Memorandum or Articles.
4. (1) The Company shall not have power to buy its own shares, unless the consequent reduction of capital is effected and sanctioned in pursuance of sections 100 to 104 or of section 402 of the Act.
- Company's funds may not be applied in purchase of or lent on shares of the Company
- (2) The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding company.
- Provided that nothing in this clause shall be taken to prohibit:
- (a) the provision in accordance with any scheme for the time being in force, of money for the purchase of, or subscription for, fully paid shares in the Company or its holding company being a purchase or subscription by trustees of or for shares to be held by or for the benefit of employees of the Company including any Director holding a salaried office or employment in the Company, or
 - (b) the making by the Company of loans within the limit laid down in sub-section (3) of section 77 of the Act to persons (other than Directors, Managing Director, Managing Agents, Secretaries and Treasurers or Managers) *bona fide* in the employment of the Company, with a view to enabling those persons to purchase or subscribe for, fully paid shares in the Company or its holding company to be held by themselves by way of beneficial ownership.
- (3) No loan made to any person in pursuance of clause (b) of the foregoing proviso shall exceed the amount of his salary or wages at that time for a period of six months.
- (4) Nothing in this Article shall affect the right of the Company to redeem any shares issued under section 80 of the Act.

CAPITAL

5. Deleted.

Capital and shares

Provisions of sections 85 to 88 of the Act to apply

Register of Members

Commencement of business

Allotment of shares

Shares at the disposal of the Directors

Option to call on shares

Every share transferable etc.

6. The provisions of sections 85 to 88 of the Act in so far as the same may be applicable shall be observed by the Company.
7. (1) The Company shall cause to be kept a Register of Members and an Index of Members in accordance with sections 150 and 151 of the Act and Register and Index of Debenture-holders in accordance with section 152 of the Act. The Company may also keep a foreign Register of Members and Debenture-holders in accordance with section 157 of the Act.
 - (2) The Company shall also comply with the provisions of sections 159 and 161 of the Act as to filling annual returns.
 - (3) The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with details of shares held in material and dematerialised forms in any media as may be permitted by law including in any form of electronic media. 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.
8. The business of the Company may be commenced at such time after registration as the Directors think fit notwithstanding that, part only of the shares may have been subscribed for or allotted. The Company shall also comply with the provision of section 149 of the Act.
9. The Directors shall observe the provisions of the Act relating to the allotment of shares.
10. Subject to the provisions of section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of section 79 of the Act) at a discount and at such times as they may from time to time think fit and with the sanction of the Company in General Meeting to give to any person the option to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may allot and issue shares in the capital of the Company in payment or part payment for any property sold and transferred or for services rendered to the Company in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.
 - 10 A. Option or right to call on shares shall not be given to any person except with the sanction of the Company in general meeting.
11. (1) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by the Articles of the Company.
 - (2) Each share in the Company shall be distinguished by its appropriate number.
 - (3) A certificate under the Common Seal of the Company, specifying

any shares held by any member shall be *prima facie* evidence of the title of the member to such shares.

- (4) The Company shall be entitled to dematerialise its existing shares, rematerialize its shares held in the Depositories and / or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.
- 12 (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account to be called "the share premium account"; and the provisions of the Act relating to the reduction of the share capital of a company shall, except as provided in this Article, apply as if the share premium account were paid-up share capital of the Company. Application of premiums received on issue of shares
- (2) The share premium account may, notwithstanding anything in clause (1) be applied by the Company:
- (a) in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
 - (b) in writing off the preliminary expenses of the Company;
 - (c) in writing off the expenses of, or the commission paid or discount allowed on any issue of shares or debentures of the Company; or
 - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.
13. When it is proposed to increase the subscribed capital of the Company by the allotment of further shares the provisions of section 81 of the Act in so far as the same be applicable shall be complied with. Further issue of Capital
14. If and whenever as the result of issue of new or further shares or any consolidation or subdivision of shares, any shares become held by members in fractions, the Directors shall subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale. Sale of fractional shares
15. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles, and every person who thus or other-wise accepts any shares and whose name is on the Register of Members shall for the purpose of these Articles be a member. The Directors shall comply with the provisions of sections 69, 70, 71, 72 and 73 of the Act so far as applicable. Acceptance of shares

Deposits and calls etc. to be a debt payable immediately

16. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately, on the insertion of the name of the 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.

Instalments on shares to be duly paid

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

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

18. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: For the purpose of this provision, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Liability of jointholder of shares

19. The joint-holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares.

Trusts not recognised

20. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognize any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.

UNDERWRITING AND COMMISSION

Power to pay certain commission and prohibition of payment of all other commissions discounts etc.

21. (1) The Company may pay a commission to any person in consideration of:
- (a) his subscribing or agreeing to subscribe, whether absolutely, or conditionally, for any shares in or debentures of the Company, subject to the restrictions specified in sub-section 4A of section 76 of the Act, or
 - (b) his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in or debentures of the Company, if the following conditions are fulfilled, namely,
 - (i) the commission paid or agreed to be paid does not exceed in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures, two and a half per cent of the price at which the debentures are issued;
 - (ii) the amount or rate per cent of the commission paid or agreed to be paid is, in the case of shares or debentures

offered to the public for subscription disclosed in the Prospectus, and in the case of shares or debentures not offered to the public for subscription, disclosed in the Statement in lieu of Prospectus and filed, before the payment of the commission, with the Registrar, and where a circular or notice, not being a Prospectus inviting subscription for the shares or debentures is issued, also disclosed in that circular or notice;

- (iii) the number of shares or debentures which persons have agreed for a commission to subscribe, absolutely or conditionally, is disclosed in the manner aforesaid, and
 - (iv) a copy of the contract for the payment of the commission is delivered to the Registrar at the time of delivery of the Prospectus or the Statement in lieu of Prospectus for registration.
- (2) Save as aforesaid and save as provided in section 79 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance to any person in consideration of:
- (a) his subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company.
 - or
 - (b) his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in or debentures of the Company,
- whether the shares, debentures or money be so allotted or applied by being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company or the money be paid out of the nominal purchase money or contract price, or otherwise.
- (3) Nothing in this Article shall affect the power of the Company to pay such brokerage as it has heretofore been lawful for the Company to pay.
 - (4) A vendor to, promoter of, or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received in payment of any commission, the payment of which, if made directly by the Company, would have been legal under section 76 of the Act.
 - (5) The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or in shares, debentures or debenture-stock of the Company.

CERTIFICATES

22. (1) The certificate of title to shares shall be issued under the Seal of the Company and shall be signed by such Directors or Officers or other Certificate of shares

authorised persons as may be prescribed by the Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.

- (2) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under section 84 of the Act.

Members' rights to Certificate

23. (1) Every member shall be entitled, without payment, to one Certificate for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several Certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such Certificates within the time provided by section 113 of the Act. Every Certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors shall prescribe or approve provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one Certificate and delivery of a Certificate for a share to one of several joint-holders shall be sufficient delivery to all such holders. The Directors shall have discretion (which they may exercise from time to time and for any period of time) not to charge the fee in respect of splitting the share certificates referred to in this clause.

Provided that the provision relating to progressive numbering of shares shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in dematerialised form.

- (2) Notwithstanding anything in clause (1) above, the Directors shall; however, comply with such requirements of the Stock Exchange where shares of the Company may be listed or such requirements of any Rules made under the Act of such requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.

Issue of new Certificate in place of one defaced, lost or destroyed

24. If any Certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Directors, they may order the same to be cancelled and may issue a new Certificate in lieu thereof, and if any Certificate be lost or destroyed then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under this Article shall be issued 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. Out-of-pocket expenses incurred by the Company in investigating the evidence as to the loss or destruction shall be paid to the Company if demanded by the Directors.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulations or requirements of any Stock

Exchange or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable in this behalf.

CALLS

25. The Directors may from time to time and subject to section 91 of the Act make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments. Calls
26. A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be made payable by members on a subsequent date to be specified by the Directors. Calls to date from resolution
27. Fifteen days' notice at the least shall be given by the Company of every call made payable otherwise than on allotment specifying the time and place of payment provided that before the time for payment of such call, the Directors may by notice in writing to the members, revoke the same. Notice of call
28. The Directors may from time to time, at their discretion extend the time fixed for the payment of any call, and may extend such time as to all or any of the members, who, from residence at a distance or other cause, the Directors may deem entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour. Directors may extend time
29. If by the terms of issue of any shares or otherwise any amount is made payable at any fixed time or by installments at fixed times, whether on account of the amount of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given, and all the provisions herein contained in respect of calls shall relate to such amount or installments accordingly. Amount payable at fixed time or by instalments as calls
30. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the shares, debentures, bonds or other instruments in respect of which a call shall have been made or the installment shall be due, shall pay interest for the same at such rate not exceeding 24 (Twenty-four) per cent per annum as may be decided by the Directors from time to time from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part. When interest on call or instalment payable
31. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. Partial payment not to preclude forfeiture

Proof on trial of suit on
money on shares

32. On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder or one of the holders, at or subsequently to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such calls or any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in anticipation
of calls may carry
interest

33. (1) The Directors may, if they think fit, subject to the provisions of section 92 of the Act, receive from any member willing to advance the same, all or any part of the sum due upon the shares held by him, beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon.

And the Directors may at any time repay the amount so advanced upon giving to such member three months' notice in writing.

- (2) The member shall not however be entitled to any dividend or to participate in any profits or to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

FORFEITURE, SURRENDER AND LIEN

If call or instalment not
paid, notice must be
given

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

Form of notice

- (2) The notice shall name a day [not being less than 14 (fourteen) days from the date of the notice] and a place or places, on and at which such call, instalment or such part or other moneys as aforesaid and such interest and expenses aforesaid are to be paid. The notice shall also state that in the event of non payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment or such part or other moneys is or are payable will be liable to be forfeited.

35. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect.
Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- In default of payment shares to be forfeited
36. When any share shall have been so forfeited, notice of the forfeiture shall be given to the holder of the share, or the person entitled to the share by transmission, and an entry of the forfeiture with the date thereof shall be made in the Register of Members, but no forfeiture shall be invalidated by any failure to give such notice or make such entry as aforesaid.
- Entry of forfeiture in Register of members
37. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, reallocated or otherwise disposed of either to the original holder or to any other person upon such terms and in such manner as the Directors shall think fit.
- Forfeited shares to be property of the Company and may be sold
38. The Directors may, at any time, before any share so forfeited shall have been sold, reallocated or otherwise disposed of, annul forfeiture hereof upon such conditions as they think fit.
- Power to annul forfeiture
39. Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay to the Company, all calls, instalments, interest, expenses and other moneys 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 not exceeding 24 (Twenty-four) percent per annum as the Director may determine, and the Directors may enforce the payment of the whole or a portion thereof, if they think fit, but shall not be under any obligation to do so.
- Shareholders still liable to pay money owing at time of forfeiture and interest
40. The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
- Surrender of shares
41. The Company shall have no lien on its fully paid-up shares. In the case of partly paid-up shares, the Company shall have a first and paramount lien only in respect of all moneys called or payable at a fixed time in respect of such shares. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article.
- Company's lien on shares
42. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell, shall have been served on such member, or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice.
- As to enforcing lien by sale
43. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards satisfaction of all moneys called and payable
- Application of proceeds of sale

in respect of such shares and the residue (if any) paid to such member or the person (if any) entitled by transmission to the shares so sold.

Certificate of forfeiture

44. A Certificate in writing under the hand of one Director and countersigned by the Secretary or any other Officer authorised by the Directors for the purpose, that the call in respect of a share was made and notice thereof given, and that default in payment of the call was made and that the forfeiture of the share was made by a resolution of the Directors to that effect shall be conclusive evidence of the facts stated therein as against all persons entitled to such share.

Validity of sales under Articles 37 and 42

45. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given the Directors may appoint some person or execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the 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 of Members 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.

Title of purchaser and allottee for forfeited shares

46. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof, and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

Register of transfers

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

Form of transfer

48. Subject to the provisions of section 108 of the Act, the instrument of transfer of any share shall be in writing in the form prescribed from time to time by law. Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulations or requirements of any Stock Exchange or the Rules made under the Act or the Rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

To be executed by transferor and transferee

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

Directors may refuse to register transfer

50. (1) Subject to the provisions of section 111 of the Act, the Directors may at their own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a member of

the Company. 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 the shares.

- (2) Nothing in sections 108, 109 and 110 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member in, or debentures of, the Company.
 - (3) if the Company refuses, whether in pursuance of any power under these Articles or otherwise, to register any such transfer or transmission of right, it shall, within two months from the date on which the instrument of transfer or the intimation of such transmission as the case may be, was delivered to the Company send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
51. (1) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected, unless the Company gives notice of the application to the transferee and subject to the provisions of clause (4), the Company shall unless objection is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee. Transfer of shares
- (2) For the purpose of clause (1) notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time at which it would have been delivered to him in the ordinary course of post.
 - (3) It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation of the transferee has been delivered to the Company along with the Certificate relating to the shares and if no such Certificate is in existence, along with the letter of allotment of the shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer. Provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and transferee has been lost, the Company may, if the Directors think fit on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnity as the Directors may think fit.
 - (4) If the Company refuses to register the transfer of any shares, the Company shall within two months from the date on which the instrument of transfer is lodged with the Company send to the transferee and the transferor notice of the refusal as provided in Article 50.

- (5) Nothing in clause (3) above shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.
- (6) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

Custody of Instrument of transfer

52. The instrument of transfer shall after registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.

Closure of transfer books

53. The Directors shall have power, on giving seven days' notice by advertisement as required by section 154 of the Act, to close the transfer books of the Company for such period or periods of time not exceeding on the whole 45 (forty-five) days in each year but not exceeding 30 (thirty) days at a time as they may deem fit.

Title to shares of deceased holder

54. The executors or administrators of a deceased member (whether European, Hindu, Mohamedan, Parsi or otherwise not being one or two or more joint-holders) or the holder of a Succession Certificate shall be the only persons whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate unless they shall have first obtained Probate or Letters of Administration or a Succession Certificate as the case may be, from a duly constituted competent court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of Probate or Letters of Administration or a Succession Certificate and under the next Article register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

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

55. (1) Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares provided nevertheless that if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as "the Transmission Clause".
- (2) A transfer of the share or other interest in the Company of a deceased member made by his legal representative shall, although the legal

representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

(3) This Article shall not prejudice the provisions of Articles 50 and 56.

56. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration. Refusal to register nominee
57. Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity. Board may require evidence of transmission
58. A fee not exceeding fifty 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 or denomination, subject to such maximum fee on anyone transfer or transmission as may from time to time be fixed by the Directors. Such maximum fee may be a single fee payable on anyone transfer or on transmission, of any number of shares of one class or denomination or may be on graded scale varying with the number of shares of anyone class comprised in one transfer or transmission or may be fixed in any other manner as the Directors in their discretion determine. 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 shares referred to in this Article. Fee on transfer or transmission
59. 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 same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit. The Company not liable for disregard of a notice prohibiting registration of transfer
60. The provisions of Articles 22 to 59 shall, mutatis mutandis, apply to the Debentures and Warrants of the Company.
- 60A In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic and fungible form in a Depository, the provision of the Depository Act, 1996 shall apply.

60B Nothing contained in the foregoing Articles shall 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.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

Increase of Capital

61. The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amount as it thinks expedient.

On What conditions the new shares may be issued

62. (1) Subject to the provisions of sections 80, 81 and 85 to 90 of the Act, the new shares shall be issued upon such conditions and with such rights and privileges annexed thereto as by the general meeting creating the same shall be directed and if no direction be given, as the Directors shall determine and in particular, such shares may be issued subject to the provisions of the said sections with a preferential or qualified right to dividends and in distribution of assets of the Company and subject to the provisions of the said sections with a special or without any right of voting and subject to be the provisions of section 80 of the Act any preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.

(2) Unless the Company in general meeting and in accordance with the provisions of section 81 of the Act shall otherwise determine, the provisions of section 81 of the Act shall be complied with, with regard to the offer of such shares.

Same as original Capital

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

Power to issue redeemable preference shares

63. (1) Subject to the provisions of section 80 of the Act and subject to the provisions on which any shares may have been issued, the Company may issue preference shares which are, or at the option of the Company are to be liable, to be redeemed:

Provided that:

(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 shall have been provided for out of the profits of the Company or out of the Company's share premium account, before the shares are redeemed;

(d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the capital redemption reserve account", a sum equal to the nominal amount of the shares

redeemed; and the provisions of the Act relating to the reduction of the share capital of a company shall except as provided in section 80 of the Act, apply as if the capital redemption reserve account were paid-up share capital of the Company.

- (2) Subject to the provisions of section 80 of the Act and subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as may be provided by the Articles of the Company or the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.
- (3) The redemption of preference shares under this provision by the Company shall not be taken as reducing the amount of its authorised share capital.
- (4) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares have never been issued; and accordingly the share capital of the Company shall not for the purpose of calculating the fees payable under section 611 of the Act be deemed to be increased by the issue of shares in pursuance of this clause.

Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relates to stamp duty be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.

- (5) The capital redemption reserve account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

64. The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares, to redeem at par the whole or part of the preference shares for the time being outstanding, by payment of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue due from day to day) and in the case of redemption of part of the preference shares the following provisions shall take effect:

Provision in case of redemption of preference shares

- (a) The shares to be redeemed shall be determined by a drawing which the Company shall cause to be made at its registered office in the presence of one director at least; and
- (b) Forthwith after every such drawing the Company shall notify to the shareholders whose shares have been drawn for redemption its intention to redeem such shares by payment at the registered office of the Company at the time and on the date to be named against surrender of the Certificates in respect of the shares to be so redeemed and at the time and date so notified, each such shareholder shall be bound to surrender to the Company the share Certificates in respect

of the shares to be redeemed and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The shares to be redeemed shall cease to carry interest from the date named for payment as aforesaid. Where any such Certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh Certificate therefore.

Reduction of Capital

65. Subject to confirmation by the court, the Company may, by special resolution, reduce its share capital in any way; and in particular and without prejudice to the generality of the foregoing power, may:
- (a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up;
 - (b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital which is lost or unrepresented by any assets; or
 - (c) either with or without extinguishing or reducing liability on any of its shares, payoff any paid-up share capital which is in excess of the wants of the Company;

and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

Division and sub-division

66. The Company in general meeting may by an ordinary resolution alter the conditions of its Memorandum as follows, that is to say, it may:
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) sub-divide shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived and so that as between the holders of the shares resulting from such subdivision one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage or otherwise over the others of any other such shares;
 - (c) convert all or any of its fully paid up shares into stock and reconvert that stock into fully paid up shares of any denomination;
 - (d) cancel shares which at the date of such general meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Notice to Registrar of consolidation of Share Capital, conversion of shares into stocks etc.

67. (1) If the Company has:
- (a) consolidated and divided its share capital into shares of larger amount than its existing shares;
 - (b) converted any shares into stock;
 - (c) re-converted any stock into shares;
 - (d) sub-divided its shares or any of them;

- (e) redeemed any redeemable preference shares; or
 - (f) cancelled any shares otherwise than in connection with a reduction of share capital under sections 100 to 104 of the Act;
- the Company shall within one month after doing so, give notice thereof to the Registrar specifying, as the case may be, the shares consolidated, divided, converted, sub-divided, redeemed or cancelled or the stock reconverted.
- (2) The Company shall thereupon request the Registrar to record the notice and make any alterations which may be necessary in the Company's Memorandum or Articles or both.

MODIFICATION OF RIGHTS

- 68. If at any time the capital by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may be modified, abrogated or dealt with in accordance with the provisions of section 106 of the Act. Powers to modify rights
- The dissentient members shall have the right to apply to the court in accordance with the provisions of section 107 of the Act.
- 69. The rights or privileges conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed not to be varied or modified or affected by the creation or issue of further shares ranking *pari pasu* therewith. Issue of further shares not to affect rights of existing share-holders

JOINT-HOLDERS

- 70. Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles: Joint-holders
- (1) The Company shall be entitled to decline to register more than four persons as the holders of any share. No transfer to more than four persons as joint tenants
 - (2) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such shares. Liabilities of joint holders
 - (3) On the death of any one or more of such joint-holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Death of joint-holders
 - (4) Anyone of such joint-holders may give effectual receipts of any dividends or other money payable in respect of such share. Receipts of one sufficient
 - (5) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to the delivery of the Certificate relating to such share or to receive notices (which Delivery of Certificate and giving of notices to first-named holder

expression shall be deemed to include all documents as defined in Article 2) from the Company and any notice given to such person shall be deemed to have been given to all the joint-holders.

Votes of joint-holders

- (6) Anyone of two or more joint-holders may vote at any meeting either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one such joint'-holders be present at any meeting personally or by proxy or by attorney, that one of such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such share shall alone be entitled to vote in respect thereof.

Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person, present by an agent, duly authorised under power of attorney or by proxy although the name of such person present by an agent or proxy stands first on the Register of Members in respect of such shares.

Several executors of a deceased member in whose (deceased member's) sole name any share stands shall for the purpose of this clause be deemed joint-holders.

BORROWING POWERS

Power to borrow

71. Subject to the provisions of sections 292 and 293 of the Act the Directors may from time to time at their discretion borrow any sum or sum of money for the purpose of the Company.

Conditions on which money may be borrowed

72. The Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stock or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled Capital for the time being.

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

73. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company. Provided that convertible bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company to persons other than the members of the Company on a *pro rata* basis with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

Securities may be assignable free from equities

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

Issue at discount etc., or with special privileges

75. Any bonds, debentures, debenture-stock or other securities may be issued, subject to the provisions of the Act, at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, attending at general meeting of the Company, appointment of Directors and otherwise and subject to the following:

- (1) The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally or in respect of particular classes of business. **Debentures with voting rights not to be issued**
- (2) The Company shall have power to re-issue redeemed debentures in certain cases in accordance with section 121 of the Act.
- (3) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of section 123 of the Act.
- (4) Certain charges mentioned in section 125 of the Act shall be void against the liquidator or creditors unless registered as provided in section 125 of the Act.
- (5) The term 'charge' shall include mortgage in these Articles.
- (6) A contract with the Company to take up and pay for any debenture of the Company may be enforced by a decree for specific performance.
- (7) The Company shall, within three months after the allotment of any of its debentures or debenture-stock, and within two months after the application for the registration of the transfer of any such debentures or debenture-stock, have completed and have ready for delivery the certificates of all the debentures and the certificates of all debenture-stock allotted or transferred unless the conditions of issue of the debentures or debenture-stock otherwise provide. **Limitation of time for issue of Certificate**
- The expression "transfer" for the purpose of this clause means a transfer duly stamped and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.
- (8) (a) A copy of any trust deed for securing any issue of debentures shall be forwarded to the holder of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment **Right to obtain copies of and inspect Trust Deed.**
- (i) in the case of a printed trust deed, of the sum of Rupee one, and
- (ii) in the case of a trust deed which has not been printed, of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.
- (b) The trust deed referred to in item (a) above shall also be open to inspection by any member or debenture-holder of the Company in the same manner, to the same extent and on payment of the same fees, as if it were the Register of Members of the Company.
76. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. **Indemnity may be given**

Registration of charges

77. (1) The provisions of the Act relating to registration of charges which expression shall include mortgages shall be complied with.
- (2) In the case of a charge created out of India and comprising solely property situate outside India the provisions of section 125 of the Act shall be complied with.
- (3) Where a charge is created in India but comprises property outside India, the instrument creating or purporting to create the charge under section 125 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situate, as provided by section 125 of the Act.
- (4) Where any charge on any property of the Company required to be registered under section 125 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.
- (5) In respect of registration of charges on properties acquired subject to charge, the provisions of section 127 of the Act shall be complied with.
- (6) The Company shall comply with the provisions of section 128 of the Act relating to particulars in case of series of debentures entitling holders *pari passu*.
- (7) The Company shall comply with the provisions of section 129 of the Act in regard to registration of particulars of commission, allowance or discount paid or made, directly or indirectly, in connection with the debentures.
- (8) The provisions of section 133 of the Act as to endorsement of certificate of registration on debenture or certificate of debenture-stock shall be complied with by the Company.
- (9) The Company shall comply with the provisions of section 134 of the Act as regards registration of particulars of every charge and of every series of debentures.
- (10) As to modification of charges, the Company shall comply with the provisions of section 135 of the Act.
- (11) The Company shall comply with the provisions of section 136 of the Act regarding keeping a copy of instrument creating charge at the registered office of the Company and comply with the provisions of section 137 of the Act in regard to entering in the Register of Charges any appointment of Receiver or Manager as therein provided.
- (12) The Company shall also comply with the provisions of section 138 of the Act as to reporting satisfaction of any charge and procedure thereafter.
- (13) The Company shall keep at its registered office a Register of Charges and enter therein all charges specifically affecting any property of

the Company and all floating charges on the undertaking or on any property of the Company giving in each case:

- (a) a short description of the property charged,
- (b) the amount of the charge; and
- (c) except in the case of securities to bearer, the names of persons entitled to the charge.

(14) Any creditor or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of section 144 of the Act.

78. The Company shall comply with the provisions of section 150 of the Act as to Register of Members and the provisions of section 152 of the Act as to Register and Index of Debenture-holders. Register of Members and Debenture-holders
79. No notice of any trust, express or implied or constructive, shall be entered on the Register of Members or of Debenture-holders. Trust not recognised
80. (1) The Company may, after giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situate, close the Register of Members or the Register of Debenture-holders for any period or periods not exceeding in the aggregate 45 (forty-five) days in each year, but not exceeding 30 (thirty) days at any one time. Power to close Register of Members or Debenture-holders
- (2) The Company may exercise the power to keep foreign Register of Members or Debenture-holders as provided in section 157 of the Act and the provisions of section 158 of the Act as to foreign register shall be complied with. Foreign Register of Members
- (3) The Company shall comply with the provisions of section 159 of the Act regarding filing of annual returns and the provisions of section 161 of the Act regarding annual return and certificates to be annexed thereto. Annual Return
- (4) (a) The Register of Members commencing from the date of the registration of the Company, the Index of members, the Register and Index of Debenture-holders and copies of all annual returns prepared under section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under section 161 of the Act shall be kept at the registered office of the Company or at such other place or places as may be permissible under the Act as the Directors may determine from time to time. Place of keeping and inspection of registers and returns
- (b) The registers, indexes, returns and copies of certificates and other documents referred to in sub-section (1) of section 163 of the Act shall except when the Register of Members or Debenture-holders is closed under the provisions of the Act, be open during business hours (subject to such reasonable restrictions as the Company may impose so that not less than two hours in each day are allowed for inspection) to the inspection
- (i) of any member or debenture-holder, without fee; and

- (ii) of any other person, on payment of a fee of Rupee one for each inspection.
- (c) Any such member, debenture-holder or other person may:
 - (i) make extracts from any register, index or copy referred to in sub-section (1) of section 163 of the Act without fee or additional fee, as the case may be, or
 - (ii) require a copy of any such register, index or copy or of any part thereof, on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.
- (d) The Company shall cause any copy required by any person under sub-clause (ii) of clause (c) above to be sent to that person within a period of ten days, exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.

STATUTORY MEETING AND GENERAL MEETINGS

- Statutory Meeting** 81. The Company shall hold within the period specified in section 163 of the Act, a general meeting of the members of the Company, which shall be called the Statutory Meeting.
- Annual General Meeting** 82. The Company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting at the intervals, and in accordance with the provisions of section 166 of the Act.
- Time and place of Annual General Meeting** 83. Every Annual General Meeting shall be called for any time during business hours, on a day that is not a public holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate.
- Power of Directors to call Extra-Ordinary General Meeting** 84. The Directors may call an extra-ordinary general meeting of the Company whenever they think fit.
- Calling of Extra-Ordinary General Meeting on requisition** 85. (1) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (4) of this Article, forthwith proceed duly to call an extra-ordinary general meeting of the Company.
 - (2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the registered office of the Company.
 - (3) The requisition may consist of several documents in like form, each signed by one or more requisitionists.
 - (4) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at that date carries the right of voting in regard to that matter.
 - (5) Where two or more distinct matters are specified in the requisition, the provisions of clause (4) shall apply separately in regard to each

such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.

- (6) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called:
- (a) by the requisitionists themselves,
 - (b) by such of the requisitionists as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in clause (4) whichever is less.

Explanation: For the purpose of this clause, the Board shall in the case of a meeting at which a resolution is to be proposed as a special resolution, be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of section 189 of the Act.

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

Explanation: Nothing in clause (7)(b) shall be deemed to prevent a meeting duly commenced before the expiry of the period of three months aforesaid from adjourning to some day after the expiry of that period.

- (8) Where two or more persons hold any shares or interest in the Company jointly, a requisition or a notice calling a meeting signed by one or some only of them, shall for the purposes of this Article have the same force and effect as if it has been signed by all of them.
- (9) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.
86. (1) The provisions of sections 171 to 186 of the Act, shall, notwithstanding anything to the contrary in the Articles, apply with respect to general meetings of the Company.
- (2) (a) Section 176 of the Act with such adaptations and modifications, if any, as may be prescribed shall apply with respect to meetings of any class of members or of debenture-holders of the Company in like manner as it applies with respect to general meetings of the Company.
- (b) Unless the Articles or a contract binding on the persons concerned otherwise provide, sections 171 to 175 and sections

Section 171 to 186 of the Act shall apply to meetings

177 to 186 of the Act with such adaptations and modifications, if any, as may be prescribed, shall apply with respect to meetings of any class of members or of debenture-holders or any class of debenture-holders of the Company in like manner as they apply with respect to general meetings of the Company.

Length of notice for calling meeting

87. (1) A general meeting of the Company may be called by giving not less than twenty-one days' notice in writing.
- (2) A general meeting of the Company may be called after giving shorter notice than that specified in clause (1), if consent is accorded thereto:
- (i) in the case of an annual general meeting by all the members entitled to vote thereat: and
 - (ii) in the case of any other meeting, by members of the Company holding not less than 95 (ninety-five) percent of such part of the paid-up capital of the Company as gives a right to vote at the meeting;

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

Contents and manner of service of notice and persons on whom it is to be served

88. (1) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
- (2) Notice of every meeting of the Company shall be given:
- (i) to every member of the Company in any manner authorised by sub-sections (1) to (4) of section 53 of the Act,
 - (ii) to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred, and
 - (iii) to the Auditor or Auditors for the time being of the Company in any manner authorised by section 53 of the Act in the case of any member or members of the Company.

Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the registered office of the Company under sub-section (3) of section 53 of the Act, the statement of material facts referred to in section 173 of the Act need not be annexed to the notice as required by that section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

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

89. (1) For the purpose of this Article: Explanatory statement to
be annexed to notice.
- (a) In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to (i) the consideration of the accounts, balance sheet and the reports of the Board of Directors and auditors (ii) the declaration of a dividend, (iii) the appointment of directors in the place of those retiring, and (iv) the appointment of and the fixing of the remuneration of the auditors, and
- (b) In the case of any other meetings, all business shall be deemed special.
- (2) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein of every Director, and the Manager, if any.
- Provided that the extent of shareholding interest of any such person shall be set out in the circumstances specified in the proviso to subsection (2) of section 173 of the Act.
- (3) 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.
90. (1) Five members personally present shall be the quorum for a meeting of the Company. Quorum for meeting
- (2) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon the requisition of members, shall stand dissolved.
- (3) In any other case, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place, as the Board may determine.
- (4) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.
91. (1) No business shall be transacted at any general meeting unless the quorum requisite be present at the commencement of the business. Presence of quorum
- (2) No business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the Chair is vacant. Business confine to
election of Chairman
whilst Chair vacant
- (3) The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting. If there be no Chairman or if at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose one of themselves to be Chairman and in default of their doing so, the members present shall choose one of the Directors to be Chairman and if no Directors present be willing to take the chair, the members present shall choose one of themselves to be the Chairman. Chairman of General
Meeting

Chairman with consent
may adjourn the meeting

- (4) The Chairman with the consent of the meeting may adjourn any meeting from time to time and from place to place in the city, town or village where the registered office of the Company is situate.

Business at adjourned
meeting

- (5) No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Proxies

92. (1) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting.

- (2) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or where that is allowed one or more proxies, to attend and vote instead of himself and that a proxy need not be a member.

- (3) The instrument appointing a proxy or any other document necessary to show the validity or otherwise relating to the appointment of a proxy shall be lodged with the Company not less than 48 (forty-eight) hours before the meeting in order that the appointment may be effective thereat.

- (4) The instrument appointing a proxy shall

(a) be in writing, and

(b) be signed by the appointer or his attorney duly authorised in writing, or, if the appointee is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

Form of Proxy

- (5) Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the usual common forms or in such other form as the Directors may approve from time to time.

- (6) An instrument appointing a proxy, if in any of the forms set out in Schedule IX to the Act shall not be questioned on the ground that it fails to comply with any special requirements specified for such instrument by the Articles.

- (7) Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.

VOTES OF MEMBERS

Restrictions on exercise
of voting rights of
members who have not
paid calls etc.

93. No member shall exercise any voting right 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.

94. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 93. Restriction on exercise of voting right in other cases to be void
95. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class. Equal rights of shareholders
96. At any general meeting a resolution put to the vote of the meeting shall unless a poll is demanded under section 179 of the Act be decided on a show of hands. Voting to be by show of hands in first instance
97. (1) Subject to the provisions of the Act, upon show of hands every member entitled to vote and present in person shall have one vote, and upon a poll every member entitled to vote and present in person or by proxy shall have one vote, for every share held by him. Votes
- (2) No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by proxy or by a representative duly authorised under section 187 of the Act in which case such proxy or representative may vote on a show of hands as if he were a member of the Company. No voting by proxy on show of hands
- (3) Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to transfer any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty-eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof. Votes in respect of shares of deceased or insolvent members etc.
- (4) If any such instrument of appointment be confined to the object of appointing proxy or substitute for voting at meetings of the Company, it shall remain permanently or for such time the Directors may determine in the custody of the Company, if embracing other objects a copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company. Custody of the instrument
- (5) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy 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, revocation or transfer shall have been received at the registered office of the Company before the meeting. Validity of votes given by proxy notwithstanding death of member etc.
- (6) No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by an agent or proxy or representative not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever. Time for objections for vote

Chairman of any meeting to be the judge of any vote

- (7) 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's declaration of result of voting by show of hands to be conclusive

98. A declaration by the Chairman in pursuance of section 177 of the Act that on a show of hands, a resolution has or has not been carried or has or has not been carried either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand for poll

99. (1) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid-up.
- (2) The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Time of taking poll

100. (1) A poll demanded on a question of adjournment shall be taken forthwith.
- (2) A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in section 175 of the Act) shall be taken at such time not being later than 48 (forty-eight) hours from the time when the demand was made, as the Chairman may direct.

Demand for poll not to prevent transaction of other business

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

Right of a member to use his votes differently

102. On a poll taken at a meeting of the Company a member 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.

Scrutineers at poll

103. (1) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him.
- (2) The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- (3) Of the two scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.

104. (1) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken. Manner of taking poll and result thereof
- (2) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.
105. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member. Casting vote
106. (1) A body corporate (whether a company within the meaning of the Act or not), if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of section 187 of the Act authorise a person 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 any creditors of the Company. Representation of body corporate
- (2) The representation of the President of India or of the Governor of a State if he is a member of the Company may be allowed in accordance with the provisions of section 187 A of the Act or any other statutory provision governing the same. Representation of President of India or Governor
107. The Company shall observe the provisions of section 187B of the Act in regard to the public trustee. Public Trustee
108. The Company shall comply with the provisions of section 192 of the Act relating to registration of certain resolutions and agreements. Registration of resolution and agreements
109. The Company shall comply with the provisions of section 188 of the Act relating to circulation of members' resolutions. Circulation of members resolution
110. The company shall comply with the provision of section 190 of the Act relating to resolutions requiring special notice. Resolution requiring special notice
111. The provisions of section 191 of the Act shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolution shall be deemed for all purposes as having been passed on the date on which in fact it was passed and shall not be deemed to have been passed on any earlier date. Resolutions passed at adjourned meeting
112. 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 in the books to be kept as may be required by section 193 of the Act. Minutes of proceedings of General Meetings and of Board and other meetings
113. Where minutes of the proceedings of any general meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of section 193 of the Act then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein. Presumptions to be drawn where minutes duly drawn and signed

Inspection of Minute
Books of General
Meetings

114. (1) The books containing the minutes of the proceedings of any general meeting of the Company shall:
- (a) be kept at the registered office of the Company, and
 - (b) be open during the business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may in general meeting impose so however that not less than two hours in each day are allowed for inspection.
- (2) Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in clause (1) on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.
- (3) In the case of any refusal or default, the court may, by order, compel an immediate inspection of the Minute books or direct that the copy required shall forthwith be sent to the person requiring it.

Publication of reports of
proceedings of General
Meetings

115. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by section 193 of the Act to be contained in the minutes of the proceeding of such meeting.

MANAGERIAL PERSONNEL

Managerial personnel

116. The Company shall duly observe the provisions of section 197 A of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

MANAGEMENT

Number of Directors

117. The number of Directors of the Company shall not be less than 4 nor more than 16, excluding the Special Director, if any; and the Debenture Director, if any, and the Corporation Director, if any.

Names of first Directors

118. The first Directors of the Company are:
1. SHRI ARVIND NAVINCHANDRA MAFATLAL
 2. SHRI YOGINDRA NAVINCHANDRA MAFATLAL
 3. SHRI RASESH NAVINCHANDRA MAFATLAL
 4. SHRI HEMANT BHAGUBHAI MAFATLAL

Debenture Director

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

provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

120. So long as any moneys be owing by the Company to any Finance Corporation or Credit Corporation or to any Financing Company or Body and/or so long as any Finance Corporation or Credit Corporation or any Financing Company or Body holds the shares in the Company acquired as a result of underwriting (which Corporation or Body is hereinafter in this Article referred to as "the Corporation"), the Directors may authorise such Corporation to appoint, from time to time, any one or more person(s) as Director(s) of the Company (which Director(s) is hereinafter referred to as "Corporation Director") and the Corporation Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director. Corporation Director

The Corporation may at any time and from time to time remove any such Corporation Director or Directors appointed by it and may, at the time of such removal and also in the case of death or resignation of the person(s) so appointed at any time, appoint another or others in his or their place, and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatever. Such appointment or removal shall be made in writing signed by the Chairman of the Corporation or any person or Director thereof authorised in this behalf and shall be delivered to the Company at its registered office.

Every Corporation entitled to appoint a Director under this Article may appoint one or more such person(s) as Director(s).

121. In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the Directors may authorise such company, corporation, firm or person (hereinafter in this clause referred to as "Collaborator") to appoint, from time to time, any person as a Director of the Company (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however that such Special Director shall hold office so long as such collaboration arrangement remains in force, unless otherwise agreed upon between the Company and such Collaborator under the collaboration arrangements or at any time thereafter. Special Director

The Collaborator may at any time and from time to time remove any such Special Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the company at its registered office.

It is clarified that every Collaborator entitled to appoint a Director under this Article may appoint one such person as a Director and so that if more than one Collaborator is so entitled there may be at any time as many Special Directors as the Collaborators eligible to make the appointment.

- Limit on number of non-retiring Directors
122. The provisions of Articles 119, 120, 121 and 164 are subject to the provisions of section 255 of the Act and the number of such Directors appointed under Articles 119, 120, 121 and 164 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office.
- Alternate Director
123. The Board of Directors may appoint any Alternate Director in accordance with section 313 of the Act.
- Qualification of Director
124. A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.
- Remuneration of Director
125. The remuneration of a Director (including a Corporation Director) for his services for attending a Board Meeting shall be Rs. 1,000 or such higher sum as may be prescribed by the Act, or the Central Government pursuant to section 310 of the Act from time to time for each meeting attended by him, provided that the Directors may accept a lower sum from time to time.
- Provided further that in the case of a Corporation Director, if so desired by the Corporation appointing him, no sitting fees shall be paid to him. Such sitting fees may, however, be paid to the appointing Corporation if so desired by it.
- Travelling and other expenses
126. The Directors may allow and pay to any Director, who travels for the purpose of attending and returning from meetings of the Board of Directors or any Committee thereof or general meetings, or in connection with the business of the Company, his traveling and hotel and other expenses incurred by him in consequence or for the purpose of his attendance, and in connection with the business of the Company in addition to his fees for attending such meetings as above specified and other remuneration payable to him.
- Provided that if so desired by the Corporation appointing a Corporation Director, the Company may instead reimburse the Corporation appointing such Director any sums that may be paid by it to that Director in respect of his attendance at the meeting of the Board.
- Remuneration to Committee of Management
127. The Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by them, which may be called a 'Committee of Management' in the following manner.
- The remuneration payable to any member or members constituting the Committee shall be a sum not exceeding Rs. 250/- per meeting per member attended by him or a commission at 3% of the net profits of the Company computed in the manner laid down in section 198 (1) of the Act whichever is higher.
- The rate of such commission shall be reduced to 1 % in the circumstances referred to in section 309 (4) (a) of the Act.
- The Company may pay a commission higher than 3% or 1 % as the case may be to the member or members constituting the Committee of Management with such approval of the Central Government and of the Company in general meeting as may be requisite.

The remuneration of the Committee of Management referred to in this Article may be divided by the Committee by majority decision of the members thereof amongst such member or members and/or any ex-member or ex-members thereof and in such manner or proportion and on such basis as such majority may in their discretion decide.

The Directors may from time to time re-constitute such Committee by changing the personnel thereof as they may, in their discretion, think fit.

The remuneration payable under this Article shall be in addition to the sitting fee provided in Article 125 and expenses and allowances under Article 126.

128. The Directors may from time to time appoint one or more members of their body constituting a Committee other than the Committee of Management appointed by the Directors in terms of Article 127. The remuneration of a member of the Committee so appointed, for his service for attending a meeting of the Committee, shall be upto Rs. 1,000/- or such higher sum as may be prescribed by the Act or the Central Government pursuant to section 310 of the Act from time to time for each meeting attended by him in addition to the expenses and allowances under Article 126.

Appointment and remuneration to Committees

Provided that in the case of a Corporation Director, who may be a member of the Committee of Directors, other than the Committee of Management, if so desired by the Corporation appointing him,

- (i) no sitting fee shall be paid to him;
- (ii) such sitting fee may, however, be paid to the Corporation appointing him;
- (iii) the Company may instead reimburse the Corporation appointing such Director any sums that may be paid by it to the Director in respect of his attendance at the meetings of a Committee.

129. If any Director, being willing, shall be called upon to perform extra services or to take any special exertions for any of the purposes of the Company, the Company may, subject to the provisions of the Act, remunerate such Director either by a fixed sum or by a percentage of profit or otherwise, as may be determined by the Directors but not exceeding that permitted under section 309 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.

Remuneration for extra services

130. The Directors may be paid further remuneration (if any) as the Company in general meeting may, subject to the provisions of the Act and the Articles, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may from time to time, subject to the provisions of the Act, determine and in default of such determination within the year, equally.

Further remuneration

- 130A. (1) Any provision relating to the remuneration of any Director, a Managing or Whole-time Director, or any amendment thereof which purports to increase or has the effect of increasing whether directly or indirectly, the amount thereof, whether that provision be contained in the Company's Memorandum or Articles or in an Agreement

Increase in remuneration of Directors to require Government sanction

entered into by it, or in any resolution passed by the Company in general meeting or by the Board of Directors, shall, save and except where it is in accordance with the provisions of Schedule XIII of the Act, not have any effect unless approved by the Central Government and the amendment shall become void, if and in so far as, it is disapproved by the Government.

- (2) If the terms of any reappointment or appointment of a Managing or Whole-time Director, purport to increase or have the effect of increasing, whether directly or indirectly the remuneration which the Managing or Whole-time Director, as the case may be, was receiving immediately before such reappointment or appointment, the reappointment or appointment shall, save and except where it is in accordance with the provisions of Schedule XIII of the Act, not have any effect unless approved by the Central Government and shall become void if, and in so far as it is disapproved by the Government.

Directors not to act when number falls below minimum

131. When the number of Directors in office falls below the minimum above fixed, the Directors shall not except in emergencies or for the purpose of filling up vacancies or for summoning a general meeting of the company act so long as the number is below the minimum and they may so act notwithstanding the absence of the necessary quorum.

Eligibility

132. A person shall not be capable of being appointed a Director if he has the disqualifications referred to in section 274 of the Act.

Directors vacating office

133. (1) The office of a Director shall become vacant if:
- (a) he fails to obtain within the time specified in sub-section (1) of section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any, required of him by the Articles;
 - (b) he is found to be of unsound mind by a court of competent jurisdiction;
 - (c) he applies to be adjudicated an insolvent;
 - (d) he is adjudged an insolvent;
 - (e) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months;
 - (f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by notification in the Official Gazette removes the disqualification incurred by such failure;
 - (g) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;
 - (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;

- (i) he acts in contravention of section 299 of the Act;
 - (j) he becomes disqualified by an order of court under section 203 of the Act;
 - (k) he is removed in pursuance of section 284 of the Act;
 - (l) 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
 - (m) he resigns his office by notice in writing given to the Company.
- (2) Notwithstanding anything in sub-clauses (d), (e) and (j) of clause (1), the disqualification referred to in those sub-clauses shall not take effect:
- (a) for thirty days from the date of the adjudication, sentence or order;
 - (b) where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of, or
 - (c) where within the seven days aforesaid any further appeal, or petition is preferred in respect of the adjudication, sentence conviction or order and the appeal or petition, if allowed, would result in the removal of the disqualification until such further appeal or petition is disposed of.

134. The Company may by ordinary resolution remove any Director (not being a Director appointed by the Central Government in pursuance of section 408 of the Act) in accordance with the provisions of section 284 of the Act. A Director so removed shall not be re-appointed a Director by the Board of Directors.

Removal of Directors

135. (1) Subject to the restrictions imposed by these Articles and by sections 292,293,294,295,297,300,314,370 and 372 of the Act, no Director, Managing Director or other officer or employee of the Company shall be disqualified from his office by contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director, Managing Director, officer or employee shall be in any way interested, be avoided, nor shall the Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director, Managing Director, or officer or employee holding that office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with and in the cases mentioned in section 299 of the Act where that section be applicable.

Directors may contract with Company

- (2) In accordance with section 300 of the Act, no Director shall, as a Director, vote or take part in any discussion in respect of any contract or arrangement in which he is interested and if he does so vote, his vote shall be void nor shall his presence count for the purpose of forming the quorum at the time of any such discussion or vote.

Provided that the above prohibition or restriction shall not apply to the extent or under the circumstances mentioned in sub-section (2) of section 300 of the Act.

A general notice such as is referred to in sub-section (3) of section 299 of the Act shall be sufficient disclosure under this Article as provided in that section.

Directors may be directors of companies promoted by the Company

136. A Director, Managing Director, officer or employee of this Company may be, or become a director of any company promoted by this Company or in which it may be interested as a vendor, member or otherwise, and no such director shall be accountable for any benefits received as director or member of such company, except to the extent and under the circumstances as may be provided in the Act.

Duty of Directors etc. to make disclosure

137. (1) 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, who is appointed to or relinquishes the office of Director, Managing Director, Managing Agent, Secretaries and Treasurers, Manager or Secretary of any other body corporate shall, within twenty days of his appointment or as the case may be relinquishment of such office, disclose to the Company aforesaid the particulars relating to the office in the other body corporate which are required to be specified under sub-section (1) of section 303 of the Act.
- (2) Every Director of the Company and every person deemed to be a Director of the Company by virtue of sub-section (10) of section 307 of the Act and every other person referred to in sub-section (11) of section 307 of the Act, shall give notice to the Company of such matters as may be necessary for the purpose of enabling the Company to comply with the provisions of that section and section 308 of the Act.

Directors etc. not to hold office or place of profit

138. Any Director or other person referred to in section 314 of the Act may be appointed to or hold any office or place of profit under the Company in accordance with the provisions of section 314 of the Act.

Certain powers to be exercised by Board only at meetings

139. The Board of Directors shall exercise the powers referred to in section 292 of the Act, on behalf of the Company and the Board shall do so only by means of resolutions passed at meetings of the Board. Provided that the Board may delegate the powers therein referred to in the manner and to the extent and subject to the conditions or limitations therein referred to, to such persons including officers as are mentioned in the said section.

Restrictions on powers of Board

140. (1) The Board of Directors of the Company shall not, except with the consent of the Company in General Meeting:
- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the

Company owns more than one undertaking, of the whole or substantially the whole, of any such undertaking;

- (b) remit, or give time for the repayment of any debt, due by a Director;
- (c) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in sub-clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- (d) borrow moneys, where the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the company and its free reserves, that is to say, reserves not set apart for any specific purpose;

Explanation: For the purpose of these provisions the expressions "free reserve" shall include the amount to the credit of the following accounts:

(1) Dividend equalisation (2) Machinery renewal (3) Machinery replacement (4) Development rebate (5) Special depreciation (6) Post war rehabilitation (7) General reserve (8) Employees' welfare (9) Insurance Fund,

or

- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees, or five percent of its average net profits as determined in accordance with the provisions of sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.

Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanations contained in sub-section (1) of section 293 of the Act and in regard to the limitations on the powers of the Company contained in section 293A of the Act.

- (2) Nothing contained in sub-clause (a) of clause (1) shall affect:
 - (a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause, in good faith and after exercising due care and caution, or
 - (b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.
- (3) Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (a) of clause (1) may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided

that this clause shall not be deemed to authorise the Company to effect any reduction in its Capital except in accordance with the provisions contained in that behalf in the Act.

- (4) No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (1) shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.
- (5) Due regard shall be given to and compliance as regard disclosures in the Profit and Loss Account shall be observed as provided under section 293A of the Act. .

Appointment of sole selling agents

141. (1) The appointment of a selling agent, the reappointment of a selling agent and extension of the term of a selling agent shall be regulated in accordance with the provisions of section 294 of the Act and any Rules or Notifications issued by competent authority in accordance with that section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said section and such Rules or Notifications, if any, as may be applicable.
- (2) The payment of any compensation to a selling agent shall be subject to the provisions of section 294A of the Act.

Loans to Directors

142. The provisions of section 295 of the Act shall be observed and complied with in cases of loans to or guarantee to or by or providing of any security in connection with a loan to or by persons and under the circumstances and cases mentioned in that section so far as the same may be applicable.

Board's sanction required for certain contracts in which Directors are interested

143. Sanction of the Board of Directors shall be necessary in the cases and to the extent and in the manner required by section 297 of the Act and the Directors shall comply with the provisions of that section wherever applicable.

ROTATION OF DIRECTORS

Rotation of Directors

144. Not less than two-thirds of the total number of Directors shall (a) be persons whose period of office is liable to determination by retirement of Directors by rotation, and (b) save as otherwise expressly provided in the Act, be appointed by the Company in general meeting.
The remaining Directors, shall in default of and subject to any regulations in the Articles also be appointed by the Company in general meeting.

Ascertainment of Directors retiring by rotation and filling up vacancies

145. (1) At the first Annual General Meeting of the Company, all the Directors whose period of office is liable to determination by retirement by rotation shall retire, and at every Annual General Meeting held thereafter, one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then, the number nearest to one-third shall retire from office.
- (2) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the

same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

- (3) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up vacancy by appointing the retiring Director or some other person thereto.
- (4) (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 till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (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 re-appointed at the adjourned meeting, unless:
- (i) at that meeting or at the previous meeting a resolution for the re-appointment 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 of Directors, expressed his unwillingness to be so re-appointed;
 - (iii) he is not qualified or is disqualified for appointment;
 - (iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act; or
 - (v) the proviso to sub-section (2) of section 263 of the Act is applicable to the case.

Explanation: In this Article and Article 146, the expression "Retiring Director" means a Director retiring by rotation.

146. (1) A person who is not a retiring Director shall, in accordance with section 257 of the Act and subject to the provisions of the Act, be eligible for appointment to the office of a Director at any general meeting, if 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 a Director or the intention of such member to propose him as a candidate for that office, as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.
- (2) The Company shall inform its members of the candidature of a person for the office of a Director or the intention of a member to propose such person as a candidate for that office not less than seven days before the meeting in the manner provided in sub-section (1A) of section 257 of the Act.
147. Every person who is proposed as a candidate for the office of a Director of the Company shall sign and file with the Company and with the Registrar

Right of persons other than retiring Directors to stand for directorship

Consent of candidate for directorship

his consent in writing to act as a Director in accordance with the provisions of section 264 of the Act in so far as they may be applicable.

PROCEEDINGS OF DIRECTORS

- Meetings of Directors
- When meeting to be convened
- Director entitled to notice
- Questions at Board Meeting how decided
- Who to preside meetings of the Board
- Quorum at Board Meeting
- Quorum competent to exercise power
- Directors may appoint committee
- Resolution by circular
148. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit. A meeting of the Board shall be held once at least in every three months as provided in section 285 of the Act.
149. Any Director of the Company may at any time convene a meeting of the Directors.
150. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India and to every other Director at his usual address in India.
151. Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.
152. All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of Directors, the Chairman be not present at the time appointed for holding the same, then and in that case the Directors shall Choose one of the Directors then present to preside at the meeting.
153. (1) The quorum at meetings of the Directors shall be that prescribed by section 287 of the Act.
- (2) A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations or the Articles for the time being vested in or exercisable by the Directors generally.
- (3) If a meeting of the Board could not be held for want of quorum, then, the meeting shall stand dissolved.
154. Subject to the provisions of the Act, the Directors may delegate all or any of their powers to Committees consisting of such member or members of their body as they think fit, and they may, from time to time, revoke such delegation.
- Any Committee so formed shall in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Directors, and subject thereto may regulate its own procedure.
155. Subject to the provisions of section 289 of the Act, a resolution passed without any meeting of Directors, or of a Committee of Directors appointed under these Articles and evidenced by writing under the hands of all the Directors or members of such Committee as aforesaid, for the time being in India, be as valid and effectual as a resolution duly passed at a meeting of the Directors or of such Committee called and held in accordance with the provisions of these Articles.
- Provided that the resolution has been circulated in draft, together with the necessary papers, if any, to such Directors, or members of the Committee, then in India (not being less in number than the quorum fixed for a meeting

of the Board or the Committee as the case may be) and to all other Directors or members at their usual addresses in India and has been approved by such Directors as are then in India or by majority of such of them, as are entitled to vote on the resolution.

156. Subject to the provisions of sections 252, 255 and 259 of the Act, the Company in general meeting may, by ordinary resolution, increase or reduce the number of Directors within the limits fixed in that behalf by the Articles. Limit of Directors' number
157. Subject to the provisions of section 260 of the Act, the Directors shall have power at any time to appoint any person as an additional Director to the Board but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold office only upto the next Annual General Meeting of the Company and shall then be eligible for re-appointment. Appointment of additional Directors
- 157A. Subject to the provisions of section 262 of the Act, the Directors shall have power at any time to appoint any person as a Director to fill a casual vacancy on the Board. Any Director so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if the office had not been vacated. Appointment of Directors in casual vacancy
158. All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or that they or any of them were disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director. Acts of Board or Committee valid notwithstanding defect of appointment
159. The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with the Articles and section 193 of the Act. Minutes of proceedings of the Board and the Committee to be valid
160. (1) The Directors shall cause to be kept at the registered office of the Company. Register of Directors and Managing Director etc.
- (a) a Register of the Directors, Managing Director, Manager and Secretary of the Company containing the particulars required by section 303 of the Act;
- (b) a Register of Contracts with companies and firms in which the Directors are interested, containing the particulars required by section 301 of the Act; and (c) a Register of Directors' shareholding containing the particulars required by section 307 of the Act. They shall also cause to be kept other registers and indexes as required by the Act.
- (2) The Company shall comply with the provisions of sections 301, 303 and 307 and other sections of the Act with regard to inspection of registers and furnishing copies or extracts so far as the same be applicable to the company. Inspection of registers

POWERS OF DIRECTORS

General powers of the Company vested in Directors

161. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do, and are not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Act and any other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time, made by the Company in general meeting, provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Restrictions of certain sections of the Act to apply

162. The restrictions contained in sections 292,293,294,295,297,299,300,370 and 372 of the Act shall be observed in regard to matters therein mentioned so far as the same be applicable to the Company.

Specific powers given to Directors

163. Without prejudice to the general powers conferred by Article 161 and the other powers conferred by these presents and so as not in any way to limit any or all these powers it is hereby expressly declared that subject as aforesaid, the Directors shall have the following powers:

- (1) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company;
- (2) to pay and charge to the capital account of the Company any interest lawfully payable thereout under the provisions of section 208 of the Act;
- (3) to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit;
- (4) to acquire by purchase, lease or in exchange or otherwise, lands, buildings, hereditaments, machinery, rights, privileges, or properties movable or immovable;
- (5) to erect, construct, enlarge, improve, alter, maintain, pull down, rebuild or reconstruct any buildings, factories, offices, workshops or other structures necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;
- (6) to let, mortgage, charge, sell or otherwise dispose off, subject to the provisions of section 293 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;
- (7) at their discretion to pay for any property rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debentures stock or other

securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures, debenture-stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled Capital or not so charged;

- (8) to insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;
- (9) subject to section 292 of the Act, to open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;
- (10) to secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid Capital for the time being or in such other manner as they may think fit;
- (11) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof, as they think fit;
- (12) to accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;
- (13) to appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees;
- (14) to institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also subject to the provisions of section 293 of the Act to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;
- (15) to refer, subject to the provisions of section 293 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards;
- (16) to act on behalf of the Company in all matters relating to bankrupts and insolvents;

- (17) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of section 293 of the Act;
- (18) to determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents;
- (19) subject to the provisions of sections 292, 293, 370 and 372 of the Act, to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof, upon such shares, securities or investments (not being shares in this Company) and in such manner as they may think fit, and from time to time to vary or realise such investments;
- (20) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on;
- (21) subject to such sanction as may be necessary under the Act or the Articles, to give to any Director, officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company;
- (22) to provide for the welfare of employees or ex-employees of the Company and the wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments or by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals, and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;
- (23) to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other useful institutions, objects or purposes or for any exhibition;
- (24) to establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any person who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of the Company or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons,

and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or of any such other company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid;

- (25) before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or Reserve Fund or Sinking Fund or any other Special Fund to meet contingencies or to repay redeemable preference shares, debentures or debenture-stock or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes as the Directors may, in their absolute discretion, think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as require to be invested upon such investments (subject to the restrictions imposed by sections 292 and 293 and other provisions of the Act) as the Directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company, notwithstanding that the matters to which the Directors apply or upon which they may expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Directors think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in repayment or redemption of redeemable preference shares, debentures or debenture-stock and that without being bound to keep the same separate from other assets or to pay interest on the same, with power, however to the Directors at their discretion, to pay or allow to the credit of such funds, interest at such rate as the Directors may think proper;
- (26) to appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, clerks, agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit and from time to time to provide for the management and transactions of the affairs of the Company in any specified locality in India in such manner as they think fit and the provision contained in clause (28) following shall be without prejudice to the general powers conferred by this clause;
- (27) to comply with the requirements of any local law which in their opinion, it shall be in the interests of the Company necessary or expedient to comply with;

- (28) at any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) be made in favour of any company or the members, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated, directly or indirectly, by the Directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- (29) subject to the provisions of the Act, generally and from time to time and at any time to authorise, empower or delegate to (with or without powers of sub-delegation) any Director, officer or officers or employee for the time being of the Company all or any of the powers, authorities and discretions for the time being vested in the Directors by these presents, subject to such restrictions and conditions, if any, as the Directors may think proper;
- (30) to enter into all such negotiations and contracts and rescind and vary all such contract and to execute and do all such acts, deeds and things in the name and on behalf of the Company they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

MANAGING DIRECTORS

164. (1) Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body to be Managing Director or Managing Directors of the Company, either for a fixed term not exceeding 5 (five) years at a time or without any limitation as to the period for which he or they is or are to hold such office, 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.
- (2) Subject to the provisions of the Act, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but subject to the provisions of any contract between him and the Company he shall be subject to the same provisions as 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 Director from any cause.
- (3) Subject to the provisions of sections 198, 309, 310 and 311 of the Act, the remuneration of a Managing Director shall (subject to the

Power to appoint
Managing Director

Will not be subject to
retirement by rotation

Remuneration of
Managing Director

provisions of any contract between him and the Company) from time to time be fixed by the Company in general meeting or so far as the Act may allow, by the Directors, and may be by way of fixed salary or commission on dividends, profits or turnover of the Company or of any other company in which the Company is interested or by participation in any such profits, or by any or all of those modes.

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

Powers and duties of
Managing Director

All the provisions of this Article shall also apply to Whole-time Directors, if appointed by the Board of Directors.

SEAL

165. (1) The Directors shall provide a Common Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Directors or a Committee of the Directors previously given, and in presence of one Director at the least, who shall sign every instrument to which the Seal is affixed and every such instrument shall be counter-signed by the Managing Director or such other officer or person as the Directors may from time to time resolve, provided that such counter-signatures shall not be necessary where the instrument is in favour of the Managing Director or the Managing Director is a party to it.
- (2) The Company may exercise the powers conferred by section 50 of the Act and such powers shall accordingly be vested in the Directors.

The Seal, its custody and
use

Seals abroad

INTEREST OUT OF CAPITAL

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

Payment of interest out
of Capital

DIVIDENDS

167. The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum and these Articles

Division of profits

and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of Capital paid up on the shares held by them respectively.

- Dividend payable to registered holder
- Time for payment of dividend
- Capital paid up in advance at interest not to earn dividend
- Dividends in proportion to amount paid up
- Company in General Meeting may declare dividends
- Power of Directors to limit dividends
- Dividend to be paid out of profits
- Directors' declaration as to net profits conclusive
- Interim dividends
- Retention of dividend until completion of transfer under Article 55
- No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
168. No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his banker.
169. Where a dividend has been declared by the Company it shall be paid within the period provided in section 207 of the Act.
170. Where the Capital is paid up in advance of calls upon the footing that the same shall carry interest, such Capital shall not, whilst carrying interest confer a right to participate in profits or to dividend.
171. The Company shall pay dividends in proportion to the amount paid up or credited as paid up on each share, when a larger amount is paid up or credited as paid up on some shares than on others. Nothing in this Article shall be deemed to affect in any manner the operation of section 208 of the Act.
- Provided always that any capital paid up on a share during the period in respect of which a dividend is declared, shall, unless the terms of issue otherwise provide, only entitle the holder of such share to an apportioned amount of such dividend proportionate to the Capital from time to time paid during such period on such share.
172. The Company in general meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits and may fix the time for payment.
173. No larger dividend shall be declared than is recommended by the Directors but the Company in general meeting may declare a smaller dividend.
174. Subject to the provisions of section 205 of the Act, no dividend shall be declared and paid for any financial year except out of profits of the Company or out of the moneys provided by the Central Government or State Government for payment of dividend in pursuance of any guarantee given by such Government and no dividends shall carry interest as against the Company. Nothing contained in this Article shall be deemed to affect in any manner the operation of section 208 of the Act.
175. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.
176. The Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.
177. The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Clause entitled to become a member or which any person under that clause is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.
178. Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of

such share or shares either alone or jointly with any other person or persons, and the Directors may deduct from the interest or dividend payable to any member, all sums of money so due from or to the Company.

179. A transfer of shares shall not pass the right to any dividend declared before the registration of the transfer. Transferred shares must be registered
180. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled or in the case of joint-holders to that one of them first named in the Register of members in respect of the joint holding. Every such cheque or warrant so sent shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost, to the member or person entitled there to by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means. Dividends how remitted
181. (1) After the declaration of the dividend at the Annual General Meeting of the Company if any dividend remains unpaid to or unclaimed by any member within 42 days from the date of declaration the Company will within seven days from the date of expiry of the said period of forty two days transfer the amount of each dividend which remains unpaid or unclaimed to a special account as specified under section 205A (1) of the Act. Unclaimed dividends
- (2) Any money transferred to the special account in terms of sub-clause (1) above which remains unclaimed for a period of three years from the date of such transfer shall be transferred by the Company to the General Revenue Account of the Central Government as specified under section 205A (5) of the Act."
- 181A. There shall be no forfeiture of unclaimed dividends till the claim thereto becomes barred by law. Forfeiture of unclaimed dividends
182. Any general meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls. Dividend and call together-set off allowed
183. Subject to the provisions of section 205 of the Act and if and in so far as may not be prohibited by that section or any other provision of the Act, any general meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend, wholly or in part, by the distribution of (a) partly or fully paid up shares, (b) debentures or debenture-stock, (c) any specific assets or property of the Company, or in any one or more of such ways and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient, and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed, or that fractions of less value than Rupee one may be disregarded, in order to adjust the rights of the parties and may vest any such shares, debentures, debenture-stock Special provision in reference to dividend

or specific assets in trustees upon such trust for the persons entitled to the dividend as may seem expedient to the Directors. Where required the Directors shall comply with section 75 of the Act and the Directors may appoint any person to sign any contract thereby required on behalf of the persons entitled to the dividend and such appointment shall be effective.

CAPITALIZATION

Capitalization

184. Subject to the provisions of the Act:

- (1) any general meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company (including profits or surplus moneys arising from realisation of any capital assets of the Company) standing to the credit of the Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend or representing the premiums received on the issue of shares and standing to the credit of the share premium account be capitalized:
 - (a) by the distribution among the holders of the shares of the Company or any of them on the footing that they become entitled thereto as capital in accordance with the respective rights and interests and in proportion to the amount paid or credited as paid thereon, of paid up shares, debentures or debenture-stock, bonds or other obligations of the Company, or
 - (b) by crediting shares of the Company which may have been issued and are not fully paid up, in proportion to the amount 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 Fund or any other Fund as may be required for the purpose of making payment in full or part for the shares, debentures or 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 the 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 Directors and if so recommended, such distribution and payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.
- (2) for the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as they may think fit and may make cash payments to any holders of shares on the footing of the value so fixed in order to adjust 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 Directors. In cases where some of the shares of the Company are fully paid and others are partly paid, only such capitalization may be affected by the distribution of further shares in respect of the fully paid shares, by crediting the partly paid shares with the whole or part of the unpaid liability thereon, but so that as between the holders of the fully paid shares and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability in the partly paid shares shall be so applied *pro rata* in proportion to the amount, then already paid or credited as paid on the existing fully paid and partly paid shares respectively. 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 holders of the shares of the Company which have been issued prior to such capitalization and such appointment shall be effective.

ACCOUNTS

185. The provisions of sections 209 to 222 of the Act shall be complied with in so far as the same be applicable to the Company. Accounts
186. (1) The Company shall, at the expense of the Company, cause proper books of accounts to be kept in accordance with the provisions of section 209 of the Act. Proper books of accounts to be kept
- (2) The books of account shall be kept at the registered office of the Company or such other place or places in India as the Directors think fit and shall be open to inspection by the Directors during business hours. Place of keeping books of accounts
187. (1) The Directors shall lay before the Company at every Annual General Meeting held in pursuance of section 166 of the Act: Statement of accounts to be furnished to General Meeting
- (a) a Balance Sheet as at the end of the period specified in section 210 of the Act, and
- (b) a Profit and Loss Account for that period.
- (2) The Profit and Loss Account shall relate to the period referred to in section 210 of the Act.
- (3) The provisions of sections 211 to 215 of the Act shall be complied with whenever the same be applicable.
188. There shall be attached to every Balance Sheet laid before the Company in general meeting a report of the Board of Directors which shall comply with the requirements of section 217 of the Act and of any other act, rules or notification as may be applicable. Directors' Report
189. A copy of the audited Balance Sheet and the Profit and Loss Account together with a copy of the auditors' report and a copy of every document required by law to be annexed or attached thereto as the case may be to the Balance Sheet shall, not less than twenty-one days before the date of the meeting at which the same are to be laid, be sent to every member of the Company and to every holder of debentures of the Company (not being debentures which *ex facie* are payable to the bearer thereof), to every trustee for the holders of debentures issued by the Company and to all Balance Sheet and other documents to be sent to the address of every member

persons other than such members, holders or trustees, being persons entitled to receive them, subject to the provisions of section 219 of the Act.

Three copies of Balance Sheet etc. to be filed with Registrar

190. After the Balance Sheet and Profit and Loss Account have been laid before the Company at the Annual General Meeting, three copies thereof signed as may be required by the Act shall be filed with the Registrar in accordance with the provisions of section 220 of the Act.

AUDIT

Accounts to be audited

191. The accounts of the Company shall be audited in accordance with the provisions of the Act.

Appointment and qualification of auditors

192. The Company shall appoint an auditor or auditors at each Annual General Meeting and the provisions of sections 224 to 230 of the Act with regard to the appointment, remuneration, removal, qualification, disqualification, powers and duties, audits of branch office and signature of audit report and reading and inspection of auditors' report shall apply so far as the same be applicable to the Company. The Company or the Directors may fix the remuneration of the auditor or auditors, as the Company or the Directors, as the case may be, may think fit, subject to any provisions of the Act in that behalf and may pay the same.

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

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

NOTICES

Service of Notice on Company

194. A notice may be served on the Company or an officer thereof by sending it to the Company or officer at the registered office of the Company by post under a certificate of posting or by registered post or by leaving it at its registered office.

The term "Notice" in this and the following Articles shall include summons, notice, requisition, order or other legal process and any document.

Service of Notice on Registrar

195. A notice may be served on the Registrar by sending it to him at his office by post under a certificate of posting or by registered post, or by delivering it to, or leaving it for him at his office.

Service of Notice on members by Company

196. (1) A notice may be served 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, within India supplied by him to the Company for the giving of notices to him.

(2) Where a notice is sent by post:

- (a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document, provided that, where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a

sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

- (b) such service shall be deemed to have been effected:
- (i) in the case of a notice of a meeting at the expiration of forty-eight hours after the letter containing the same is posted, and
 - (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (3) A notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
- (4) A notice may be served by the Company on the joint-holder of a share by serving it on the joint-holder named first in the Register of Members in respect of the share.
- (5) A notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by serving the document in any manner in which it might have been served if the death or insolvency had not occurred.

197. Subject to the provisions of the Act, notice of every general meeting shall be given: Persons entitled to notice of General Meeting
- (i) to every member of the Company in the manner authorised by sub-sections (1) to (4) of section 53 of the Act;
 - (ii) to the persons entitled to a share in consequence of the death or insolvency of a member, under sub-clause (ii) of clause (2) of section 172 of the Act;
 - (iii) to the auditor or auditors, in the manner authorised by section 53 of the Act in the case of any member or members of the Company.
198. Any notice given by the Company shall be signed by a Director, the Managing Director or by such officer as the Directors may appoint and the signatures thereto may be written, printed or lithographed. Notice by Company and signatures thereto
199. Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by the Director, the Managing Director, the Manager, the Secretary or other authorised officer of the Company and need not be under its Common Seal. Authentication of documents and proceedings

WINDING UP

200. Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such shall Distribution of assets

be less than sufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up or which ought to have been paid-up on the shares held by them respectively.

But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in specie or kind

201. Subject to the provisions of the Act:

- (1) if the Company shall be wound up whether voluntarily or otherwise, the liquidator may with the sanction of a special resolution, divide amongst the contributories, in specie or kind, any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidator, with the like sanction, shall think fit.
- (2) if thought expedient. any such division may subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have the right, if any, to dissent if such right be given by the Act.
- (3) in case any shares to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the resolution, by notice in writing direct the liquidator to sell his proportion and pay him the net proceeds and the liquidator shall, if practicable, act accordingly.

Rights of shareholders in case of sale

202. Subject to the provisions of the Act, a special resolution sanctioning a sale to any other company duly passed, may, in like manner as aforesaid, determine that any shares or other consideration receivable by the liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent, if any, if such right be given by the Act.

SECURITY CLAUSE

Secrecy clause

203. Subject to the provisions of the Act, no member shall be entitled to visit or inspect any works of the Company without the permission of the Directors, to require discovery of or any information respecting any detail of the Company's business or trading, or any other matter which is or may be in

the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

204. (1) Subject to the provisions of section 201 of the Act, the Managing Director and every Director of the Company and every employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors, out of the funds of the Company, to pay all costs, losses and expenses (including traveling expenses) which such Managing Director, Director, Manager, Secretary and other officer or employee may incur or become liable to, by reason of any contract entered into or act or deed done by him as such Managing Director, Director, Manager, Secretary, officer or servant or in any way in the discharge of his duties and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims. Directors' and others rights to indemnity
- (2) Subject as aforesaid, every Director, Managing Director, Manager, Secretary or other officer and employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 633 of the Act in which relief is granted to him by the court.
205. Subject to the provisions of section 201 of the Act, no Director, Managing Director, or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities, or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty. Directors and other officers not responsible for acts of others

Names of Subscribers	Addresses and description of Subscribers	Number of shares taken by each Subscriber	Names, Addresses and Description of Witnesses
ARVIND N. MAFATLAL	10, Altamount Road, Mumbai 26 Industrialist	11 Equity	AMBALAL SHANKERLAL PARIKH, Solicitor, 51, Mahatma Gandhi Road, Mumbai 1.
YOGINDRAN. MAFATLAL	10, Altamount Road, Mumbai-26 Industrialist	11 Equity	AMBALAL SHANKERLAL PARIKH
R.N. MAFATLAL	10, Altamount Road, Mumbai-26 Industrialist	11 Equity	AMBALAL SHANKERLAL PARIKH
H.B. MAFATLAL	10, Altamount Road, Mumbai-26 Industrialist	11 Equity	AMBALAL SHANKERLAL PARIKH
VIJAYALAXMI NAVINCHANDRA	10, Altamount Road, Mumbai-26 Investor	1 Equity	AMBALAL SHANKERLAL PARIKH
MRS. SHARDA BHAGUBHAI	10, Altamount Road, Mumbai-26 Investor	1 Equity	AMBALAL SHANKERLAL PARIKH
K.K. MAHADEVIA	B-5, Mafatlal Park, Bhulabhai Desai Road, Mumbai 26 Industrialist	1 Equity	AMBALAL SHANKERLAL PARIKH
JAYANTILAL D. VASA	E-10, Mafatlal Park, Bhulabhai Desai Road, Mumbai-26 Investor	1 Equity	AMBALAL SHANKERLAL PARIKH
for THE STANDARD MILLS COMPANY LIMITED Mafatlal Gagalbhai & Sons By YOGINDRAN. MAFATLAL Partner Managing Agents	Mafatlal House, Backbay Reclamation, Mumbai-1 Investor	53 Equity	AMBALAL SHANKERLAL PARIKH
	Total	101 Equity	

Dated at Mumbai, this 4th day of May, 1961

Special/Ordinary Resolutions passed at the Thirtieth Annual General Meeting of the Members of the Company held on 16th August. 1991

ORDINARY RESOLUTION

"RESOLVED THAT pursuant to Section 293(I)(a) and (d) and other applicable provisions, if any, of the Companies Act, 1956, the Company in General Meeting hereby accords its consent to the Board of Directors borrowing any sum or sums of money, from time to time, from any one or more of the Company's bankers or from anyone or more other persons, firms, bodies corporate or financial institutions, whether by way of cash credit, advances or deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien on or pledge of the Company's assets and properties, whether movable or immovable including fixed assets or stock-in-trade (including raw materials, machinery, components, stores and spare parts in stock or in transit and work-in progress) notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed or will exceed the aggregate of the paid-up capital and the free reserves of the Company, that is to say, the reserves not set apart for any specific purpose, but so that the total amount up to which moneys may be so borrowed by the Board of Directors and outstanding shall not at anyone time exceed Rs.250 crores."

SPECIAL RESOLUTION

"RESOLVED THAT under Section 149(2-A) of the Companies Act 1956, the Company in General Meeting hereby approves of commencement by the Board of Directors of the business of exports of all products including *inter alia* chemicals, metals, materials, substances, products, goods, articles and merchandise of all kinds whether or not manufactured by the Company but covered *inter alia* by Sub-clause (24) of Clause III of the Memorandum of Association of the Company."

Ordinary Resolution passed at the Thirty-first Annual General Meeting of the Members of the Company held on 18th August. 1992

ORDINARY RESOLUTION

"RESOLVED THAT pursuant to Section 293(I)(a) and (d) and other applicable provisions, if any, of the Companies Act, 1956, the Company in General Meeting hereby accords its consent to the Board of Directors borrowing any sum or sums of money, from time to time, from any one or more of the Company's bankers or from anyone or more other persons, firms, bodies corporate or financial institutions, whether by way of cash credit, advances or deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien on or pledge of the Company's assets and properties, whether movable or immovable including fixed assets or stock-in-trade (including raw materials, machinery, components, stores and spare parts in stock or in transit and work-in-progress) not with standing that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business)

exceed or will exceed the aggregate of the paid-up capital and the free reserves of the Company, that is to say, the reserves not set apart for any specific purpose, but so that the total amount upto which moneys may be so borrowed by the Board of Directors and outstanding shall not at anyone time exceed Rs.5,000 crores."

IN THE HIGH COURT OF JUDICATURE AT MUMBAI
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 370 OF 1994
CONNECTED WITH COMPANY APPLICATION NO. 118 OF 1994

In the matter of the Companies Act, 1956;

And

In the matter of Section 391 of the
Companies Act, 1956;

And

In the matter of Scheme of Amalgamation
of Polyolefins Industries Limited having
its Registered Office at Mafatlal Centre,
Nariman Point, Mumbai 400021 with the
Petitioners;

<p>National Organic Chemical Industries Limited, a Company registered under the provisions of the Companies Act, 1956 and having its registered office at Mafatlal Centre. Nariman Point. Mumbai 400021;</p>	}	Petitioners
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Coram: V P Tipnis J

Dated: 10th day of November. 1994

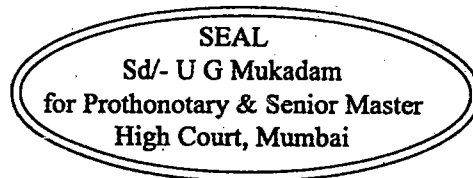
UPON the Petition of National Organic Chemical Industries Limited, the Petitioners Company abovenamed solemnly declared on the 17th day of May 1994 and presented to this Court on the 17th day of May 1994 for sanction of the arrangement embodied in the proposed Scheme of Amalgamation of Polyolefins Industries Limited (hereinafter referred to as "the Transferor Company") with National Organic Chemical Industries Limited, the Petitioner Company (hereinafter referred to as "the Transferee Company") and for other consequential reliefs as mentioned in the Petition and the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. U. M. Karnik dated the 17th day of May 1994 verifying the said Petition AND UPON READING the Affidavit of Mr. U. M. Karnik dated the 9th day of November 1994 proving publication of the Notice of the Hearing of the Petition AND UPON READING the Order dated the 23rd day of March 1994 made by this Honourable Court in Company Application No.118 of 1994 whereby the Transferee Company was ordered to convene a meeting of the equity shareholders of the Transferee Company for the purpose of considering and, if thought fit, approving with or without modifications the arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company, the salient features of which are contained in the Affidavit of Mr. U. M. Karnik in support of the said Company Application No.118 of 1994 AND UPON PERUSING the issues of "Free Press Journal" Mumbai Edition dated the 2nd day of April 1994 and "Mumbai Samachar" Mumbai Edition dated the 2nd day of April 1994 both containing the advertisements of the Notice convening the said meeting directed to be held by the said Order dated the 23rd day of March

1994 AND UPON READING the Affidavit of Mr. A. N. Mafatlal dated the 27th day of April 1994 showing the publication and despatch of the Notices convening the said meeting to be held pursuant to the said Order dated the 23rd day of March 1994 AND UPON READING the Report dated the 10th day of May 1994 of Mr. A. N. Mafatlal, the Chairman appointed for the said Meeting of the equity shareholders of the Transferee Company as to the result of the said meeting held on the 29th day of April 1994 and the Affidavit of the said Chairman Mr. A. N. Mafatlal dated the 10th day of May 1994 verifying the said Report AND IT APPEARING from the said Report of the Chairman of the said meeting of the equity shareholders of the Transferee Company that the proposed Scheme of Amalgamation has been approved by a majority of members present holding not less than 3/4th in value of the Equity Shares of the Transferee Company present and voting in person or by proxy AND UPON HEARING Mr. D. J. Khambatta, Advocate with Mr. P. N. Kapadia, Advocate instructed by Messrs. Gagrat & Co., Advocates for the Transferee Company appearing in support of the said Petition and Ms. S. P. Daruwala, Panel Counsel for the Regional Director, Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India who appears pursuant to notice under Section 394-A of the Companies Act, 1956 and submits to the orders of the Court THIS COURT DOTH HEREBY SANCTION the Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company as set out in Exhibit-H to the Petition and in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE the said Scheme of Amalgamation to be binding on all persons including all members of the Transferee Company and the Transferor Company AND THIS COURT DOTH FURTHER ORDER that the entire Undertaking of the Transferor Company including all its assets, properties, rights, powers, claims, privileges, powers and authorities and all property tangible or intangible moveable or immoveable of whatsoever nature and wheresoever situate and including and in particular all licences and liberties, patents, Trademarks, designs, copyrights and import quotas and other rights held by the Transferor Company or to which the Transferor Company is entitled be transferred to and do vest in the Transferee Company without any further act or deed with effect from 1st day of April 1993; AND THIS COURT DOTH FURTHER ORDER that all debts, liabilities, duties and obligations of the Transferor Company be transferred to and vested in the Transferee Company without any further act or deed with effect from 1st day of April 1993 so as to become the debts liabilities, duties and obligations of the Transferee Company; AND THIS COURT DOTH FURTHER ORDER that all contracts, deeds, bonds, debentures, agreements and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if the Transferee Company had been a party thereto instead of the Transferor Company; AND THIS COURT DOTH FURTHER ORDER that all proceedings (legal and other including any suits, appeals, revisions, petitions, arbitrations, execution proceedings, if any) by or against the Transferor Company pending as on the appointed date (i.e. 1st day of April, 1993) or commenced thereafter shall upon transfer of the Transferor Company's undertaking to the Transferee Company shall be

continued by, or against the Transferee Company: AND THIS COURT DOTH FURTHER ORDER that the Transferee Company shall without further act or application issue and allot shares in the Transferee Company to the members of the Transferor Company in terms of the said Scheme of Amalgamation i.e. one Equity Share of Rs.100/- each of the Transferee Company credited as fully paid up for every one Equity Share of Rs.100/- each fully paid up held by him/them in the Transferor Company on such date after the Effective Date as the Board of Directors of the Transferee Company may determine AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do within 30 days of the scaling of this order; cause a certified copy of this order to be delivered to the Registrar of Companies Maharashtra, Mumbai for registration and on such certified copy of the order being so delivered the Transferor Company shall stand dissolved without winding up order AND the Registrar of Companies, Maharashtra, Mumbai shall place all files, documents and records relating to the Transferor Company on the files kept by him in relation to the Transferee Company and consolidate the files and documents of both the Transferor Company and the Transferee Company accordingly; AND THIS COURT DOTH FURTHER ORDER that the parties to the Arrangement embodied or other person or persons shall be at liberty to apply to this Honourable Court for any directions that may be necessary for the purpose of carrying out the arrangement embodied in the said Scheme of Amalgamation AND THIS COURT DOTH LASTLY ORDER that the Transferee Company do pay a sum of Rs.500/- (Rupees Five Hundred only) to the Regional Director, Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India towards the costs of the said Petition WITNESS SHRI ANANDAMOY BHATTACHARJEE Chief Justice of Mumbai.

Aforesaid this 10th day of November 1994.

By the Court
Sd/- U G Mukadam
for Prothonotary & Senior Master
High Court, Mumbai



Order sanctioning the Scheme of Amalgamation drawn on the application of Messrs. Gagrat & Co., Advocates for the Petitioners having their Office at Alli Chambers, Nagindas Master Road, Fort, Mumbai 400001;

**SCHEME OF COMPROMISE OR ARRANGEMENT AS SANCTIONED
BY THE COURT**

**Scheme of Amalgamation
POL YOLEFINS INDUSTRIES LIMITED**

With

NATIONAL ORGANIC CHEMICAL INDUSTRIES LIMITED

A. Definitions

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

"Transferor Company" means Polyolefins Industries Limited, a Company incorporated under the Companies Act, 1956, having its Registered Office at Mafatlal Centre, Nariman Point, Mumbai 400 021.

"Transferee Company" means National Organic Chemical Industries Limited, a Company incorporated under the Companies Act, 1956; having its Registered Office at Mafatlal Centre, Nariman Point, Mumbai 400 021.

"Act" means the Companies Act, 1956.

"Appointed Date" means the commencement of business on 1st April, 1993 or such other date as the High Court of Mumbai may direct.

"Effective Date" means the date on which certified copies of the High Court's orders sanctioning the Scheme of Amalgamation and vesting the undertaking including the assets, liabilities, rights, duties, obligations and the like of the Transferor Company in the Transferee Company are filed with the Registrar of Companies, Maharashtra after obtaining all the consents, approvals, permissions, resolutions, agreements, sanction and orders necessary thereto,

"PIL Shareholders" means the persons who are registered as the holders of the Issued Equity Shares in the Capital of "the Transferor Company" on such date (after the Effective Date) as the Board of Directors of the Transferee Company may determine.

"Scheme" means this Scheme of Amalgamation in its present form or with any modifications approved or imposed or directed by the High Court at Mumbai.

"Undertaking of the Transferor Company" shall include all the assets, properties, rights, powers and claims and all the debts, liabilities, duties and obligations of the Transferor Company.

Without prejudice to the generality of the aforesaid, the Undertaking of the Transferor Company shall include all rights, privileges, powers and authorities and all property, tangible or intangible, movable or immovable of whatever nature and wheresoever situate and including in particular all licences and liberties, patents, trade marks, Designs, copyrights and import quotas and other rights held by the Transferor Company or to which the Transferor Company is entitled and all debts, liabilities and duties of the Transferor Company and all other obligations of whatsoever kind including

liability for payment of gratuity, pension benefits, provident fund dues and compensation in the event of loss of office and/or equipment.

B. Share Capital

- I. The Authorised Share Capital of the Transferor Company is Rs.20,00,00,000/- divided into 20,00,000 Equity Shares of Rs.100/- each. The Issued, Subscribed and Paid-up Share Capital is Rs.19,30,28,500/- divided into 19,30,285 Equity Shares of Rs.100/- each.
2. The Authorised Share Capital of the Transferee Company is Rs.600,00,00,000/- divided into 6,00,00,000 Equity Shares of Rs.100/- each. The Issued, Subscribed and Paid-up Share Capital is Rs.48,00,00,000/- divided into 48,00,000 Equity Shares of Rs.100/- each.

C. Transfer of Undertaking

1. With effect from the Appointed Date, the Undertaking of the Transferor Company shall, without any further act or deed stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 and other applicable provisions of the said Act.
2. The excess of the value of the net assets of the Transferor Company as appearing in the Books of Accounts of the Transferor Company over the paid-up value of the shares of the Transferee Company to be issued and allotted pursuant to Section G below, shall be accounted for and dealt with in the books of the Transferee Company as under:

The amounts standing to the credit of the Debenture Redemption Reserve, Investment Allowance (Utilised) Reserve and the Export Profit Reserve accounts in the books of the Transferor Company on the 1st of April 1993 shall be credited respectively to the Debenture Redemption Reserve, Investment Allowance (Utilised) Reserve and the Export Profit Reserve accounts in the books of the Transferee Company and balance, if any shall be transferred to the Share Premium Account of the Transferee Company.

D. Legal Proceedings

All proceedings (legal and other, including any suits, appeals, revisions, petitions, arbitrations, execution proceedings, if any), by or against the Transferor Company, pending as on the Appointed Date, or commenced thereafter shall upon transfer of the Transferor Company Undertaking to the Transferee Company, shall be continued by or against the Transferee Company.

E. Contracts, Deeds, Bonds and other Instruments

Subject to other provisions contained in the Scheme, all contracts, deeds, bonds, debentures, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and as effectively as if the Transferee Company had been a party thereto instead of the Transferor Company.

PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security therefor after the amalgamation has become effective.

F. Conduct of Business by Transferor Company till Effective Date

With effect from the Appointed Date and up to the Effective Date, the Transferor Company shall carry on and be deemed to carry on all its 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 included by it shall for all purposes be treated as the profits or losses of the Transferee Company as the case may be.

G. Issue of Shares by Transferee Company

Upon the transfer of the Undertaking of the Transferor Company pursuant to Section C hereof and the amalgamation becoming effective in terms of the Scheme the consideration in respect of such transfer shall subject to the provisions of the Scheme be paid and satisfied by the Transferee Company as follows:

1. The Transferee Company holds 6,00,000 equity shares of Rs. 100 each in the Transferor Company. These 6,00,000 equity shares shall stand cancelled.
2. Subject to the foregoing, the Transferee Company shall (without further application) issue and allot to the PIL Shareholders one equity share in the Transferee Company of Rs. 100 each credited as fully paid-up for every one equity share held by them in the Transferor Company on such date after the Effective Date as the Board of Directors of the Transferee Company may determine.
3. Except as otherwise specified in this Scheme the said equity shares in the Transferee Company to be issued to PIL Shareholders shall rank *pari passu* in all respects to the existing equity shares in the Transferee Company from the Effective Date.
4. Upon the new shares in the Transferee Company being issued and allotted to the PIL Shareholders whose names shall appear on the Register of Members of the Transferor Company on such date as aforesaid, the Share Certificates in relation to the shares held by them in the Transferor Company shall stand cancelled. All Certificates for the new shares shall be sent by the Transferee Company to the PIL Shareholders at their respective registered addresses as appearing in the said Register (or in the case of joint holders to the address of that joint holder whose name stands first in such Register in respect of such joint holder).
5. All mandates or other instructions in force at the close of business on the Effective Date relating to the payment of

dividends on the equity shares of the Transferor Company shall unless and until be revoked be deemed to be valid and subsisting mandates or Instructions to the Transferee Company in relation to the corresponding equity shares of the Transferee Company to be issued and allotted pursuant to the Scheme.

6. The Scheme of Amalgamation would result in the issue of 13,30,285 equity shares of Rs.100 each credited as fully paid-up by the Transferee Company to the PIL Shareholders as referred to in Clause 2 above. The aggregate Issued Subscribed and Paid-up Capital of the Transferee Company after implementation of the Scheme of Amalgamation would be Rs.61,30,28,500/- divided into 61,30,285 equity shares of Rs.100 each including 12,00,000 equity shares of Rs.100 each allotted by the Transferee Company on 20th September 1993 as fully paid-up bonus shares to its shareholders who were on its Register of Members as on 27th August, 1993. It is clarified that PIL Shareholders shall not be entitled to any additional allotment of shares consequent upon the said bonus issue.

H. Dividends, profits, bonus/rights shares

1. The Transferor Company shall not without the consent of the Transferee Company declare any dividend for the financial year commencing from 1st April, 1993 and subsequent financial years during which the Scheme has not become effective.
2. The Transferee Company will when declaring dividends (including interim dividend), if any, on its equity shares for the financial year commencing 1st April 1993 and subsequent financial years keep a provision for dividend at the same rate in respect of equity shares to be allotted under the present Scheme as provided in Clause G above and such dividend on such equity shares shall be deemed to be declared and payable if and when this Scheme becomes effective.
3. Subject to the provisions of this Scheme becoming effective, the profits of the Transferor Company for the period beginning from 1st April 1993 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 year ending 31st March, 1994 or any year thereafter.
4. The Transferor Company shall not issue or allot any rights shares or bonus shares out of its authorised or issued Share Capital.

I. Employees of Transferor Company

All the staff, workmen and other employees in the service of the Transferor Company immediately preceding the Effective Date shall become the staff, workmen and employees of the Transferee Company on the basis that their service shall have been continuous and shall not have been interrupted by reason of such transfer and

the terms and conditions of service applicable to the said staff, workmen or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer.

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

J. Scheme conditional on Approvals/Sanctions

The Scheme is conditional upon and subject to the following approvals/permission and the amalgamation shall be deemed to be complete on the date on which the last of such approvals shall have been obtained.

1. The approval of the Reserve Bank of India pursuant to the provisions of the Foreign Exchange Regulation Act, 1973 to the extent necessary to issue and allot shares in the Transferee Company to the non-resident shareholders of the Transferor Company.
2. Approval by the requisite majorities required by Section 391 of the Act, and the sanction of the Scheme by the High Court at Mumbai under Section 391 of the Act and the appropriate orders being made by the said High Court pursuant to Section 394 of the Act for the amalgamation under the Scheme and filing of the certified copies of such Orders with the Registrar of Companies Maharashtra.

K. Expenses connected with the Scheme

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of the Scheme and of and incidental to the completion of amalgamation of the Transferor Company in pursuance of the Scheme shall be borne and paid by the Transferee Company and the Transferor Company in such proportion as may mutually be agreed between the respective Boards of the two Companies.

L. Effect of Non-receipt of Approvals/Sanctions

In case the Scheme is not sanctioned by the High Court at Mumbai for any reason whatsoever or for any other reason the Scheme cannot be implemented before 30th Jun 1995 or within such further period or periods as may be agreed upon between the Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) the Scheme shall become null and void and in that event no rights and liabilities shall accrue to or be incurred *inter se* by the parties in terms of the Scheme.

M. Modifications/Amendments to the Scheme

The Transferor Company and the Transferee Company through their respective Boards of Directors may consent on behalf of all persons concerned to any modifications or amendments of this Scheme or to any conditions which the Court and/or any other authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.

N. Dissolution of Transferor Company

Subject to an order being made by the High Court at Mumbai under Section 394 of the Act, the Transferor Company shall be dissolved without winding up on the Scheme becoming effective.

**HIGH COURT
O.O.C.J.
COMPANY PETITION NO. 370 OF 1994
CONNECTED WITH
COMPANY APPLICATION NO. 118 OF 1994**

In the matter of the Companies Act, 1956;

And

In the matter of Section 391 of the
Companies Act, 1956;

And

In the matter of Scheme of Amalgamation
of Polyolefins Industries Limited having its
Registered Office at Mafatlal Centre,
Nariman Point, Mumbai 400021 with the
Petitioners;

National Organic Chemical Industries Limited - Petitioners

ORDER SANCTIONING SCHEME OF AMALGAMATION

Dated this 10th day of November 1994.

Filed this 23rd day of November 1994.

M/s. GARGAT & CO.

ADVOCATES AND SOLICITORS FOR THE PETITIONERS

Ordinary/Special Resolutions passed at the Thirty Third Annual General Meeting of the Members of the Company held on 30th December, 1994

ORDINARY RESOLUTION

"RESOLVED THAT the Authorised Share Capital of the Company be and is hereby increased to Rs. 1200 crores (Rupees one thousand two hundred crores only) divided into 12 crores (twelve crores) equity shares of Rs. 100 (Rupees One Hundred only) each."

ORDINARY RESOLUTION

"RESOLVED THAT the Memorandum of Association of the Company be and is hereby altered as follows:

In Clause V of the Memorandum of Association the figures and words "Rs. 600,00,00,000 (Rupees Six Hundred Crores only)" shall be substituted by the figures and words "Rs. 1200,00,00,000 (Rupees One Thousand Two Hundred Crores only)"

and

the figures and words "6,00,00,000 (Six Crores)" shall be substituted by the figures and words "12,00,00,000 (Twelve Crores)",

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to Section 370 and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised to give on behalf of the Company any guarantee or provide any security from time to time in connection with any loan or loans made by banks, financial institutions or any other person to or, to any other person by, any body corporate from time to time on such terms and conditions as the Board of Directors may deem fit and expedient, provided that the aggregate amount of all such guarantees given and securities provided shall not exceed Rs. 250 crores at anyone time."

ORDINARY RESOLUTION

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and (d) and other applicable provisions, if any, of the Companies Act, 1956, to mortgaging and/or charging by the Board of Directors of the Company of all or any of the immovable and/or movable properties of the Company wheresoever situate, present and future and the whole of the undertaking(s) of the Company, together with power to take over the management and business of the Company in certain events in favour of Banks and all or any of the following financial institutions viz. Industrial Development Bank of India, Industrial Finance Corporation of India, The Industrial Credit and Investment Corporation of India Limited, Life Insurance Corporation of India, Unit Trust of India, General Insurance Corporation of India, National Insurance Company Limited, The New India Assurance Company Limited, The Oriental Insurance Company Limited, United India Insurance Company Limited, Industrial Reconstruction Bank of India and any other financial institutions as may be declared to be a public financial institution under Section 4A of the Companies Act, 1956,

Trustees for the holders of Debentures/Global Depository Receipts and/or Convertibles issued/to be issued by the Company and other secured lenders (hereinafter collectively referred to as the "Financial Institutions") to secure loans and/or syndicated loans in rupees and/or foreign currencies, guarantees and/or any other financial assistance obtained/to be obtained from aforesaid Financial Institutions and/or debentures issued/to be issued to any person or body corporate, by way of rights or private placement by the Company up to an aggregate amount not exceeding Rs.5,000 crores (Rupees five thousand crores only) together with interest at the respective agreed rates, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, Trustees' remuneration, costs, charges, expenses and all other monies, including any increase on account of revaluation/devaluation/fluctuation in the rates of foreign currencies involved, payable by the Company to Bank and to all or any of the Financial Institutions and/or debenture holders in terms of their respective Loan Agreements/Heads of Agreements/Hypothecation Agreements/Trustees' Agreements/Letters of Sanction/Memorandum of terms and conditions, debenture certificates entered into/to be entered into/ issued/to be issued by the Company in respect of the said loans/debentures/ financial assistance.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to negotiate, finalise and settle with the Banks/ financial Institution(s)/Trustees concerned all deeds, documents and writings for creating the aforesaid mortgage(s) and/or charge(s) and for reserving the aforesaid right in their favour and to do all such acts, deeds and things, in the manner as may be necessary or proper for giving effect to the aforesaid Resolution."

*Special Resolution passed at the 39th Annual General Meeting of the
Company held on 27th December 2000*

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to section 163 and other applicable provisions, if any, of the Companies Act, 1956, the Register of Members, the Index of Members, Register and Index of Debenture holders in respect of shares and debentures as may be issued by the Company from time to time, and copies of all Annual Returns, prepared under sections 159 and 160, together with the copies of certificates and documents required to be annexed thereto under sections 160 and 161, shall be kept at the office of the Registrars and Share Transfer Agents of the Company viz. Sharepro Services at Satam Estate, Chakala, Andheri (East), Mumbai - 400 099 with effect from 1st January, 2001.

**IN THE HIGH COURT OF JUDICATURE AT MUMBAI
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 104 OF 2005
CONNECTED WITH
COMPANY APPLICATION NO. 446 OF 2004**

In the matter of the Companies Act, 1956;
And

In the matter of Section 391 and 394 of the
Companies Act, 1956;

AND

In the matter of Scheme for Restructuring of National Organic Chemical Industries Limited having its Registered Office at Mafatlal House, H.T.Parekh Marg, Backbay Reclamation, Mumbai - 400 020 by (i) demerger of the specified assets and liabilities of the Petrochemicals and Polymers Division of National Organic Chemical Industries Limited and its vesting in RELENE PETROCHEMICALS PRIVATE LIMITED having its Registered Office at "Chitrakoot", Shree Ram Mills Premises, Ganapat Rao Kadam Marg, Worli, Mumbai - 400 013, (ii) demerger of the Plastics Products Division of National Organic Chemical Industries Ltd., as a going concern together with its employees and its vesting in NOCIL Petrochemicals Limited having its Registered Office at Plot No.5 TTC Industrial Area, Thane Belapur Road, Navi Mumbai 400 701, and (iii) compromise with the creditors and shareholders of National Organic Chemical Industries Limited.

National Organic Chemical Industries Limited,)
a Company registered under the provisions of the)
Companies Act, 1956 and having its Registered)
Office at Mafatlal House, H.T.Parekh Marg,)
Backbay Reclamation, Mumbai -400 020.) . . . Petitioners

Coram: S. U. Kamdar J.

Date: 8th June 2005.

Upon the Petition of National Organic Chemical Industries Limited, (hereinafter referred to as "the Transferor Company") the Petitioner Company abovenamed, declared on the 10th day of January 2005 and presented to this Honourable Court on the 10th day of January 2005 for sanction of arrangement embodied in the amended Scheme of Arrangement being Exhibit "K" to the Petition, involving (i) demerger of the specified

assets and liabilities of the Petrochemicals and Polymers Division of National Organic Chemical Industries Ltd. (hereinafter referred to as "the Petitioner Company" or "the Transferor Company") and its vesting in Relene Petrochemicals Pvt. Ltd. (hereinafter referred to as "the Transferee Company No.1"), (ii) demerger of the Plastics Products Division of the Transferor Company, as a going concern together with its employees and its vesting in NOCIL Petrochemicals Limited (hereinafter referred to as "the Transferee Company No.2"), and (iii) compromise with the creditors and shareholders of the Transferor Company AND for other incidental and consequential reliefs as mentioned in the petition AND the said Petition being this day called out for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. Uday Madhusudan Karnik, Vice President Legal and Company Secretary of the Petitioner Company solemnly affirmed on the 10th day of January 2005 verifying the said Petition AND UPON READING the affidavit of Mr. Uday Madhusudan Karnik solemnly affirmed on 24th day of March 2005 proving publication of the notice of the date of hearing of the Petition in the issue of Free Press Journal (Mumbai edition) and in Navashakti (Mumbai edition) both dated 1st March 2005 AND UPON READING the affidavit of Mr. Navin Chandra Bhavsar, a clerk in the office of the then Advocates for the Petitioner dated 24th day of March 2005 proving service of the Notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the Order dated 15th day of October 2004 made by this Honourable Court in Company Application No. 446 of 2004 Petitioner Company was directed to convene and hold the meeting of the Secured Creditors (including Debenture holders), Unsecured Creditors and Equity Shareholders of the Petitioner Company for the purpose of considering and if thought fit approving with or without modification the arrangement embodied in the Scheme of Arrangement (which is a demerger) between the Petitioner Company, Transferee Company No.1 and Transferee Company No.2 and their respective shareholders and creditors AND UPON READING the Affidavit dated 29th November 2004 of Mr. Arvind N. Mafatlal, one of the Chairman appointed for the meetings of the Secured Creditors (including Debenture Holders), Unsecured Creditors and Equity Shareholders of the Petitioner Company proving publication of the notice convening meetings of he Secured Creditors (including Debenture holders), Unsecured Creditors and Equity Shareholders of the Petitioner Company in the issue of Free Press Journal and Navashakti both on 18th November, 2004 and proving despatch of notice convening the meetings to individual Secured Creditors (including Debenture holders), Unsecured Creditors whose outstanding is Rs.10,000/- and above and Equity Shareholders of the Petitioner Company AND UPON READING the Report, dated 17th December 2004 of Mr. Hrishikesh A. Mafatlal, Chairman appointed for the Meeting of the Secured Creditors (including Debenture holders) Unsecured Creditors and Equity Shareholders of the Petitioner Company as to the results of the said Meetings AND UPON READING the Affidavit dated 17th December 2004 of Mr. Hrishikesh A. Mafatlal, verifying the said Chairman's Report AND IT APPEARS from the Chairman's Report that the Scheme of Arrangement with amendment has been approved by the Majority in number of Secured

Creditors (including Debenture holders) Unsecured Creditors and Equity Shareholders representing more than 3/4th in value of the Secured Creditors (including Debenture holders), Unsecured Creditors and Equity Shareholders of the Petitioner Company present at the meeting and voting in favour of the Scheme of Arrangement with amendments AND UPON READING the Company Application No.176 of 2005 and UPON READING the Affidavit, dated 28th January 2005 of Shri Rajendra Dabre General Secretary of Rashtriya PIL Karmachari Sangh Union in support of Company Application No. 176 of 2005 AND UPON READING the Affidavit in Reply dated 28th April 2005 of Mr. U. M. Karnik the Vice-President - Legal and Company Secretary of the Petitioner Company to the said Company Application No. 176 of 2005 AND UPON READING the Affidavit of Mr. Shrikant G. Pangerkar the President of NOCIL Employees' Union dated 7th April 2005 praying for amendment of clause H-1 of the Scheme which does not take into consideration that part of the MOU dated 11th September 2004 which provides for the employment of desirous employees and their service conditions with Transferee Company No.1 AND UPON READING the Affidavit dated 13th April 2005 of Mr. Chakradhara Paik, Regional Director, Western Region, Ministry of Company Affairs, stating that no action has been initiated by BIFR on reference made by the Petitioner Company till the date of Petition and further stated that save and except as stated above, the scheme is not prejudicial to the interest of the Creditors and Shareholders of the Petitioner Company AND UPON HEARING Mr. Iqbal Chagla Senior counsel with Mr. D. D. Madon, Counsel instructed by M/s. Rustamji and Ginwala., Advocates for the Petitioner Company/Transferor Company, Mr. C. J. Joy with Mr. R.C. Master and Mr. M.M. Goswami Panel Counsel instructed by Dr. T.C. Kaushik for the Regional Director, Department of Company Affairs, Maharashtra, Mumbai, and Ms. Gayatri Singh, Advocate for Nocil Employees Union and Counsel Mr. Pankaj Patel, instructed by Ms. B.B. Dholakia for Rashtriya PIL Karmachari Sangh AND THIS COURT DOTH RECORD THAT Pursuant to the understanding arrived at between the intervenors i.e. Nocil Employees Union and the Petitioner Company, a draft amendment amending the Scheme by amending Clause H-1 of the Scheme is filed AND THIS COURT DOTH grant leave to amend the scheme in terms of the draft amendment AND THIS COURT DOTH FURTHER RECORD that in view of the said amendment being made, the NOCIL Employees Union' who were Intervenors do not have any objection to the present Scheme of demerger AND THIS COURT DOTH FURTHER RECORD that since there is no inconsistency between the provisions of Section 32 of the Sick Industrial Companies (Special Provisions) Act, 1985 (hereinafter referred to as "SICA") and the provisions of Section 391 and 394 of the Companies Act, 1956 there is no question of the provisions of Section 32 of the SICA being made applicable to the present case and THIS COURT DOTH HEREBY SANCTION the arrangement embodied in the amended Scheme of Arrangement involving (i) demerger of the specified asset and liabilities of the Petrochemicals and Polymers Division of the Transferor Company/Petitioner Company and its vesting in Transferee Company No. 1, (ii) demerger of the Plastic Products Division of the Transferor Company/Petitioner Company as a going concern together

with its employees and its vesting in the Transferee Company No. 2 and (iii) Compromise with the creditors and shareholders of the Transferor Company, with amendment to clause H1 of the said Scheme as set forth in Exhibit K to the Petition and annexed as Schedule hereto AND THIS COURT DOTH HEREBY DECLARE THAT the said amended Scheme of Arrangement shall be binding on the Petitioner/Transferor Company, the Transferee Company No.1, the Transferee Company No.2 and their respective shareholders and creditors AND THIS COURT DOTH HEREBY ORDER THAT with effect from 30th day of September 2003 (hereinafter referred to as "the Appointed Date") the specified assets and rights of the Petrochemicals and Polymers Division of the Transferor/Petitioner Company to the extent and in the manner set out in the said amended Scheme of Arrangement being exhibit 'K' to the Petition and in the Schedule hereto shall without any further act or deed stand transferred to and vest in Transferee Company No.1 pursuant to the provisions of Section 394 of the Companies Act, 1956 so as to become the assets of the Transferee Company No.1 AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all the debts, liabilities, duties and obligations relating to the Petrochemicals and Polymer Division of the Petitioner Company shall without any further act or deed to the extent and in the manner as set out in the amended Scheme of Arrangement and pursuant to the provisions of Section 394 of the Companies Act, 1956 stand transferred to the Transferee Company No.1 so as to become the debts, liabilities, duties and obligations of the Transferee Company No. 1 AND THIS COURT DOTH FURTHER ORDER THAT all legal proceedings pertaining to the Petrochemicals and Polymer Division of the Transferor/Petitioner Company shall be continued by or against the Transferee Company No.1 as set out in the said Scheme of Arrangement AND THIS COURT DOTH HEREBY ORDER THAT with effect from 30th day of September 2003 (herein referred to as "the Appointed Date") the entire Plastic Products Division (hereinafter referred to as "PPD") of the Transferor/Petitioner Company as a going concern together with its employees and all assets and rights to the extent and in the manner set out in the amended Scheme of Arrangement being Exhibit 'K' to the Petition and in the Schedule hereto shall without any further act or deed stand transferred to and vest in Transferee Company No.2 pursuant to the provisions of Section 394 of the Companies Act 1956 so as to become the assets of the transferee Company No. 2 AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all the debts, liabilities, duties and obligations relating to the PPD of the Petitioner Company shall without any further act or deed and pursuant to the provisions of section 394 of the Companies Act, 1956 stand transferred to the Transferee Company No.2 so as to become the debts, liabilities, duties and obligations of the Transferee Company No.2 AND THIS COURT DOTH FURTHER ORDER THAT all legal proceedings pertaining to the PPD of the Petitioner/Transferor Company shall be continued by or against the Transferee Company No.2 as set out in the said Scheme of Arrangement AND THIS COURT DOTH FURTHER ORDER that the petitioner/Transferor Company do within 30 days of the sealing of this Order, cause a certified copy of this Order sanctioning the said Scheme of Arrangement

to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration AND THIS COURT DOTH FURTHER ORDER THAT liberty is reserved to the Petitioner Company and any other person or persons interested therein to apply to this Hon'ble Court as and when occasion arises for any direction that may be necessary in the above matter AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs.2,500 (Rupees Two Thousand Five Hundred only) to the Regional Director, Department of Company Affairs, Maharashtra State, Mumbai towards the cost of the Petition WITNESS SHRI DALVEER BHANDARI, the Honourable Chief Justice at Mumbai, aforesaid this 8th day of June Two Thousand And Five.

BY THE COURT

For PROTHONOTARY AND SENIOR MASTER

ORDER sanctioning the Scheme of)
 Arrangement under Section 391)
 and 394 of the Companies Act ,1956)
 drawn on the application made by)
 M/s Rustamji & Ginwala, Advocates)
 for the Petitioner, having their Office)
 at 107, Mahatma Gandhi Road,)
 Mistry Mansion, 2nd floor, Fort,)
 Mumbai 400 001)

.....SCHEDULE...

SCHEDULE
SCHEME OF ARRANGEMENT
BETWEEN
NATIONAL ORGANIC CHEMICAL INDUSTRIES LIMITED
- TRANSFEROR COMPANY
RELENE PETROCHEMICALS PRIVATE LIMITED
- TRANSFEREE COMPANY
NOCIL PETROCHEMICALS LIMITED
- TRANSFEREE COMPANY
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

A. PREAMBLE

WHEREAS National Organic Chemical Industries limited ("NOCIL") is a company registered under the Companies Act, 1956, having its Registered Office at Mafatlal Chambers, "B" N. M. Joshi Marg, Lower Parel (E), Mumbai - 400 013 and its Administrative Office at Mafatlal, House, H.T. Parekh Road, Backbay Reclamation, Mumbai 400 020.

AND WHEREAS NOCIL comprises the following three Undertakings :

1. Petrochemicals Undertaking (hereinafter referred to as "PCD"),
2. Rubber Chemicals Undertaking (hereinafter referred to as "RCD"),
and
3. Plastics Products Undertaking (hereinafter referred to as "PPD"),

AND WHEREAS the operations of PCD were suspended on 16th April 2002 due to financial problems and the manufacturing activities of the said undertaking have come to a standstill since 16th April, 2002 due to financial problems and the present Management of PCD has no means or plans of restarting the manufacturing operations of the said undertaking.

AND WHEREAS it is proposed to separate PCD and PPD from the existing NOCIL

AND WHEREAS by this Scheme certain specified assets and liabilities of NOCIL pertaining to PCD and PPD will be demerged \ hived off into two separate entities so as to achieve the objective of operational and financial restructuring.

AND WHEREAS it is proposed to implement the aforesaid restructuring proposal under a Scheme of Arrangement in terms of section 391/394 of the Companies Act 1956 with the approval of the shareholders and creditors of NOCIL and sanction of the Hon'ble High Court of Judicature at Mumbai.

B. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

1. Act means the Companies Act, 1956 or any statutory modification or re-enactment thereof.
2. Appointed Date means the 30th day of September 2003.
3. Effective Date means the date on which the certified copies of the separate orders passed under Section 391 and 394 of the Act by the High Court at Mumbai sanctioning this Scheme of Arrangement on the separate petitions by NOCIL, NPL and REPPL are filed with Registrar of Companies. References in this Scheme to the "coming into effect of this Scheme" or "effectiveness of this Scheme" shall be construed accordingly.
4. NOCIL means National Organic Chemical Industries Limited, a company incorporated under the Act having its Registered Office at Mafatlal Chambers, "B" N.M. Joshi Marg, lower Parel (E), Mumbai - 400 013.
5. NPL means NOCIL PETROCHEMICALS LIMITED a company incorporated under the Act having its Registered Office at Plot No. 5, Thane-Belapur Road, Navi Mumbai 400 701.
6. Petrochemicals Undertaking or Undertaking of PCD or PCD means the Petrochemicals business of NOCIL as a going concern and shall include :
 - (a) all movable and immovable properties more particularly specified in Annexure A hereto, and
 - (b) All permits, consents, quotas, rights, entitlements, industrial and other licenses, trade marks, patents, copy rights and other intellectual property, privileges and benefits of all contracts, agreements and all other rights including but not limited to rights, licenses, powers and facilities of every kind, nature and description whatsoever pertaining to the Petrochemicals and Polymers Business of NOCIL.
7. Plastics Products Undertaking or Undertaking of PPD or PPD means the undertaking of the Plastics Products business of NOCIL as a going concern and shall include:
 - (a) all movable and immovable properties more particularly specified in Annexure B hereto.
 - (b) All permits, consents, quotas, rights, entitlements, industrial, and other licenses, trade marks, patents, copy rights and other intellectual property, privileges and benefits of all contracts, agreements and all other rights including but not limited to rights, licenses, powers and facilities of every kind, nature and description whatsoever pertaining to the Plastics Products Business of NOCIL.
8. REPPL means Relene Petrochemicals Private Limited, a company incorporated under the Act and having its registered office at Chitrakoot, Shreeram Mills Premises, Ganapat Rao Kadam Marg, Worli, Mumbai 400 013.
9. Remaining Assets And liabilities means all other assets and liabilities of NOCIL which are not intended to be vested in REPPL and NPL under this Scheme.

10. Scheme means this scheme of arrangement between NOCIL, REPPL and NPL and their respective shareholders and creditors.

C. SHARE CAPITAL

1. The Authorised Share Capital of NOCIL is Rs.12,00,00,00,000 (Rupees twelve hundred crores) divided into 120,00,00,000 (One hundred and twenty crores) equity shares of Rs.10 (Rupees Ten) each. The Issued, Subscribed and Paid up Share Capital is Rs.122,60,57,000 (Rupees One hundred and twenty two crores sixty lakhs fifty seven thousand only) divided into 12,26,05,700 (Twelve crores twenty six lakhs five thousand and seven hundred) equity shares of Rs.10 (Rupees Ten) each.
2. The Authorised Share Capital of REPPL is Rs.1,00,000 (Rupees One lakh) divided into 10,000 (Ten thousand) equity shares of Rs.10 (Rupees Ten) each. The Issued, Subscribed and Paid up Share Capital is Rs.1,00,000 (Rupees One lakh), divided into 10,000 (Ten thousand) equity shares of Rs.10 (Rupees Ten) each.
3. The Authorised Share Capital of NPL is Rs.1,00,00,000 (Rupees One crore) divided into 10,00,000 (Ten lakhs) equity shares of Rs.10 (Rupees Ten) each. The Issued, Subscribed and Paid up Share Capital is Rs.5,00,000 (Rupees Five lakhs only) divided into 50,000 (Fifty thousand) equity shares of Rs.10 (Rupees Ten) each.

D. TRANSFER OF PETROCHEMICALS UNDERTAKING AND PLASTICS PRODUCTS UNDERTAKING OF NOCIL

1. With effect from the Appointed Date the undertaking of PCD as a going concern along with the assets of PCD as more particularly described in Annexure 'A' hereto along with certain liabilities of NOCIL as specified in column 5 of Annexure 'C' hereto shall pursuant to Section 394(2) of the Act and without any further act or deed, be demerged from NOCIL and transferred\vested in REPPL as a going concern as provided in this scheme.
2. With effect from the Appointed Date, the undertaking of PPD as a going concern along with all the assets of PPD as more particularly described in Annexure 'B' hereto together with all the employees of PPD shall pursuant to Section 394(2) of the Act and without any further act or deed, be demerged from NOCIL and transferred\vested in NPL as a going concern, as provided in this scheme.
3. REPPL agrees to pay to NOCIL a consideration of a sum of Rs.15 crores within seven days of the Effective Date either by way of equity shares and\or in such manner as may be mutually acceptable failing which in cash.
4. NPL agrees to pay to NOCIL a consideration of a sum of Rs. 4 crores within seven days of the Effective Date.
5. NPL agrees to pay to NOCIL the value of realisable net current assets of PPD as on the Effective Date within 7 days of the Effective Date. The values of current assets will be determined by M/s. C. C. Chokshi & Co, Chartered Accountants. If any current asset not intended to be transferred to NPL is realized by NPL then the value of such current asset will be paid by NPL to NOCIL within seven days of receipt thereof by NPL.

E. REMAINING ASSETS AND LIABILITIES

1. All the movable and immovable properties of NOCIL and any other Assets and the liabilities which are not vested in NPL \ REPPL under the Scheme shall continue to belong to and be vested in NOCIL.
2. With effect from the Appointed Date, all profits accruing to NOCIL including taxes thereon or losses arising from or incurred by it in relation to the Assets and Liabilities as stated in (1) above shall, for all purposes, be treated as the profits, taxes or losses, as the case may be, of NOCIL.

F. LEGAL PROCEEDINGS AND TAX MATTERS

1.
 - a. The legal and other proceedings by or against NOCIL which are pertaining to the immovable properties vested in REPPL and NPL under this Scheme after the Appointed Date shall be continued and enforced by or against REPPL and NPL respectively. Provided however the monetary claim, if any, against NOCIL upto the Effective Date on account of taxes rents or similar liabilities pertaining to such property shall be to the account of NOCIL.
 - b. All the legal and other proceedings relating to PCD and PPD by or against NOCIL (i) pending on the Effective Date (other than those referred to sub clause (a) above) or (ii) those filed after the Effective Date but pertaining to the period prior to Effective Date, shall be continued and enforced by or against NOCIL.
 - c. All the legal and other proceedings in respect of any rights or obligations which may be instituted in future against NOCIL in respect of any matter arising on or after the Effective Date and relating to PCD and PPD shall be continued against REPPL and NPL as the case may be and REPPL \ NPL shall keep NOCIL fully indemnified with respect thereto.
2. (a) Notwithstanding anything contained in the foregoing paragraphs all rights/entitlement to refunds/liabilities of NOCIL (or its successors-in-business, other than NPL / REPPL) in respect of direct or indirect taxes (whether pertaining to the PCD, PPD, RCD or otherwise) relating to any period prior to the Effective Date (including any claims, appeals or other proceedings pending before any court, tribunal or authority or initiated subsequently) shall not be transferred to NPL \ REPPL and NOCIL (or its successors-in-business, other than NPL \ REPPL) shall continue to be entitled/liable in respect thereof and- In the event of any such liabilities falling on NPL \ REPPL, NOCIL shall discharge such liabilities immediately upon a demand being made on NPL \ REPPL (irrespective of the time at which such demand is made), and NOCIL shall keep NPL \ REPPL fully indemnified with respect thereto. This shall not prejudice the right of NOCIL to file any appeal, reference or petition or other legal proceedings challenging such assessment or demand including any proceeding to obtain any order to stay such demand or recovery proceedings. NPL \ REPPL shall promptly inform NOCIL of any such demand made to it. In case NPL or

REPPL receive any refund of any taxes or duties pertaining to the period prior to the Effective Date then they will pass on such refund to NOCIL.

- (b) No claim or demand in respect of (i) any tax liability of NOCIL referred to in sub-clause (a) above, or (ii) any tax liability of NOCIL (or its successors-in-business, other than NPL \ REPPL) (other than in respect of PCD and PPD) and the assets being transferred to NPL \ REPPL in terms of Clause D hereinabove in the case of NPL \ REPPL for the period commencing from the Effective Date, shall be maintainable against NPL \ REPPL as the case may be, and in the event for any reason NPL \ REPPL is required to make any payment in respect of the same, then NOCIL (or its successors-in-business, other than NPL \ REPPL) shall promptly reimburse NPL \ REPPL for such amount, and NOCIL (or its successors-in-business, other than NPL \ REPPL) shall keep NPL \ REPPL fully indemnified and harmless in that behalf.

G. CONDUCT OF BUSINESS BY NOCIL

1. With effect from 1st April 2004 and up to and including the Effective Date :
 - a. NOCIL shall for and on account of and in trust for NPL carry on and be deemed to have been carrying on all business and activities relating to PPD and shall hold the PPD properties to be transferred to NPL in trust.
 - b. All profits accruing to or losses arising or incurred by, NOCIL relating to PPD from 1st April 2004 till the Effective Date or termination shall for all purposes be treated as the profits or losses, as the case may be, of NPL.
 - c. NOCIL shall hold the PCD property for and on account of and in trust for REPPL
 - d. Subject to the provisions of this Scheme, NOCIL shall not alienate, charge or otherwise deal with or dispose off the assets of PCD or PPD as mentioned in Annexures 'A' and 'B' or any part thereof (except in the usual course of business) or undertake substantial expansion of its existing business pertaining to the PCD or PPD, without the prior or written consent respectively of REPPL and NPL.

H. EMPLOYEES OF NOCIL

1. The workers of PCD have opted for voluntary retirement from the services of NOCIL in terms of Memorandum of Understanding dated 11th September 2004 entered into between NOCIL, REPPL, NOCIL Employees Union and PIL 'Employees Union and accordingly all workers of PCD have ceased to be the employees of NOCIL with effect from 23rd September; 2004 and have been paid their dues. Those of the employees who have opted to join REPPL shall be governed by the terms and conditions provided in the said MOU.
2. On and from the Effective Date, the permanent employees of PPD shall stand transferred to and be deemed to have become the

employees of NPL on the same terms and conditions on which they are employed with NOCIL, and their services with NOCIL prior to such date will not be treated as having been interrupted for the purpose of provident fund, or for gratuity, or for any other retirement benefits or for any other purposes, but will be reckoned for all such purposes from the date of their respective appointments with NOCIL. Accumulated leave (including in respect of services prior to the Appointed Date) shall be to the account of NPL. NOCIL shall not enter into any agreement or settlement in respect of any charter of demands with the PPD Employees Union after 1st April 2004.

I. COMMERCIAL CONTRACTS AND AGREEMENTS

1. Subject to the other provisions contained in this Scheme all commercial contracts and agreements of whatever nature relating to the manufacturing operations of PPD and to which NOCIL is a party or to the benefit of which it is entitled, subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of NPL respectively and may be enforced as fully and effectually as if instead of NOCIL, NPL had been a party or beneficiary thereto.
2. NPL, REPPL and NOCIL may, at any time after the coming into effect of this Scheme, if so required under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements/novations with any party to any contract or arrangement to which NOCIL is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. NOCIL will, if necessary, also be a party to the above.

J. LIABILITIES

1. In so far as liabilities of NOCIL, which have been specified in Column 5 of Annexure 'C', are concerned, they shall, without any further act or deed, become the liabilities of REPPL with effect from the Effective Date, and shall stand transferred to and vested in and shall be exercised by or against REPPL.
2. All other liabilities of NOCIL shall continue to be the liabilities of NOCIL and shall continue to be the liabilities of NOCIL.

K. DEBT AND FINANCIAL RESTRUCTURING AND REORGANISATION OF CHARGES.

The liabilities and debts of NOCIL shall be settled in the manner specified hereunder:

1. Secured Creditors
 - a. The Principal amount of the outstanding dues of the Secured Creditors as on the Appointed Date will be bifurcated in the manner specified in Annexure 'C' hereto.
 - b. The entire overdue interest, penal interest, liquidated damages and other charges, if any, on the total dues of the existing secured creditors of NOCIL specified in Annexure 'C' upto the Effective Date shall stand waived.
 - c. The restructured dues of the Secured Creditors as mentioned in

Annexure 'C' shall be bifurcated and discharged by REPPL and NOCIL as per terms mentioned below:

1.1. REPPL

- i. The Principal amount of outstanding dues of Rs.351.09 crores specified in column 3 of Annexure 'D' shall vest pursuant to the Scheme in REPPL
- ii. Out of the above dues, Rs,229.09 crores of the Financial Institutions and Banks who are the Secured Creditors will be settled by REPPL either as per option 'A' or option 'B' as stated hereunder as may be selected by the Secured Creditors.

OPTION 'A'

- a) The part of the total outstanding dues as shown against each party in column 4 of Annexure 'D' shall be paid in cash to the respective party by REPPL within one month of the Effective Date.
- b) The part of the total outstanding dues as shown against each party in column 5 of Annexure 'D' shall be converted into equity share capital of REPPL and each party will be allotted equity shares at par of REPPL equivalent to its respective dues as specified in the said column on completion of all the formalities connected with allotment of shares. REPPL shall complete all the formalities connected with allotment of shares within 60 days from the Effective Date or such extended period as may be agreed by secured creditors.
- c) The shares of REPPL issued to the Secured Creditors in terms of this clause will be listed on the Mumbai Stock Exchange within three years from the date of issue of such shares subject to the regulatory and legal requirements prevailing at that point of time.
- d) The remaining part of the outstanding dues shown in column 6 of Annexure 'D' shall be converted into 'Zero Coupon Secured Debentures' (ZCD) to be allotted by REPPL within one month of the Effective Date. The ZCD's will be secured by creating a first charge in favour of the Debenture Trustees on the assets of PCD which are being transferred to REPPL in the manner specified in clause (d) hereunder. Such charge will be created by REPPL only after all the lenders vacate their existing charge on the assets of PCD. These debentures will be redeemable in the 13th year from the date of their issue. These Debentures will be issued to the parties mentioned in Annexure 'D' in proportion to their respective dues mentioned in column 6 of the said Annexure.
- e) On payment of the cash portion of the restructured dues as per Column 4 of Annexure 'D' and on allotment of equity shares and ZCDs for the amounts mentioned in column 5 and 6 of Annexure 'D' all the existing charges of the secured lenders who have opted for this option on the assets of NOCIL vested in REPPL in terms of this Scheme shall stand released. Thereafter, REPPL shall create charge on such of the assets in favour of the Debenture Trustees on pari-passu basis with respect to the ZCDs so as to give a coverage of 1.25 times the amount of ZCD.

OPTION 'B'

- a) The part of the total outstanding dues as shown against each party in column 4 of Annexure 'E' shall be paid in cash to the respective party by REPPL within one month of the Effective Date.
- b) The balance of the total outstanding dues as shown against each party in column 5 of Annexure 'E' shall be converted into equity share capital of REPPL and each party will be allotted equity shares at par of REPPL equivalent to its respective dues as specified in the said column on completion of all the formalities connected with allotment of shares. REPPL shall complete all the formalities connected with allotment of shares within 60 days from the Effective Date or such extended period as may be agreed by secured creditors.
- c) The shares of REPPL issued to the Secured Creditors in terms of this clause will be listed on the Mumbai Stock Exchange within three years from the date of issue of such shares subject to the regulatory and legal requirements prevailing at that point of time.
- d) On payment of the cash portion of the restructured dues as per column 4 of Annexure 'E' and on allotment of equity shares for the amounts mentioned in column 5 of Annexure 'E' all the existing charges of the secured lenders, who have opted for this option on the assets of NOCIL vested in REPPL in terms of this Scheme shall stand released.

1.2 NOCIL

- i. The Principal amount of Rs. 57.27 crores due and payable by NOCIL to the Secured Creditors and more particularly described in Column 4 of Annexure 'C' hereto shall be paid in the manner specified hereunder :
- ii. The said dues of each Secured Creditor will be settled by NOCIL either as per option 'A' or option 'B' as stated hereunder as may be selected by the Secured Creditors.

OPTION 'A'

- a) The part of the total outstanding dues as shown against each party in column 4 of Annexure 'F' shall be paid in cash to the respective party by NOCIL within one month of the Effective Date.
- b) The part of the total outstanding dues as shown against each party in column 5 of Annexure 'F' shall be converted into equity share capital of NOCIL and each party will be allotted equity shares at par of NOCIL equivalent to its respective dues as specified in the said column on completion of all the formalities connected with allotment of shares and subject to all the regulatory approvals being obtained in this behalf. NOCIL shall complete all the formalities connected with allotment of shares within 60 days from the Effective Date for such extended period as may be agreed by secured creditors.
- c) The remaining part of the outstanding dues shown in column 6 of Annexure 'F' shall be converted into 'Zero Coupon Secured Debentures' (ZCD) to be allotted by NOCIL within one month of the Effective Date. The ZCD's will be secured by creating a first charge in favour of the Debenture Trustees on the assets of RCD

which are being retained with NOCIL in the manner specified in clause (d) hereunder. These debentures will be redeemable in the 13th year from the date of their issue. These Debentures will be issued to the parties mentioned in Annexure 'F' in proportion to their respective dues mentioned in column 6 of the said Annexure.

- d) On the Effective Date and on payment of cash portion of the restructured dues as per column 4 of Annexure 'F' and on allotment of ZCD for the amounts mentioned in column 6 of Annexure 'F', NOCIL shall create charge on such of the assets of RCD in favour of the Debenture Trustees on pari passu basis with respect to the ZCD's so as to give a coverage of 1.25 times the amount of ZCD.

OPTION 'B'

- a) The part of the total outstanding dues as shown against each party in column 4 of Annexure 'G' shall be paid in cash to the respective party by NOCIL within one month of the Effective Date.
- b) The balance of the total outstanding dues as shown against each party in column 5 of Annexure 'G' shall be converted into equity share capital of NOCIL and each party will be allotted equity shares at par of NOCIL equivalent to its respective dues as specified in the said column on completion of all the formalities connected with allotment of shares and subject to all the regulatory approvals being obtained in this behalf. NOCIL shall complete all the formalities connected with allotment of shares within 60 days from the Effective Date for such extended period as may be agreed by secured creditors.

3. BPCL DUES

NOCIL owes a sum of Rs. 116.34 crores to Bharat Petroleum Corporation Limited (BPCL) towards supply of naphtha to its Petrochemicals undertaking. This liability stands transferred to REPPL. BPCL has agreed to accept Rs. 57 crores in full and final settlement of its dues on the following terms and conditions and REPPL has agreed to discharge its dues on the said terms:

- a. A sum of Rs. 5.70 crores to be paid upfront which, has already been paid.
- b. The balance amount of Rs. 51.30 crores to be paid within 30 days of the Effective Date.

N. GENERAL TERMS AND CONDITIONS

1. All liabilities / expenses towards payment of MIDC premium / transfer fees, and stamp duty, if any arising out of or incurred in carrying out and implementing this Scheme shall be borne and paid for by NPL / REPPL as the case may be.
2. The issue and allotment of shares under the provisions of this Scheme to the non resident shareholders will be made subject to the approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and on such terms and conditions as the Reserve Bank of India may impose.
3. NOCIL, NPL and REPPL shall make necessary applications before the Hon'ble High Court at Mumbai for the sanction of this Scheme

of Arrangement.

4. Upon the coming into effect of this Scheme, the borrowing limits of NPL and REPPL under the Act shall without any further act or deed stand enhanced by an amount equivalent to the aggregate liabilities of NOCIL which are being transferred to REPPL respectively pursuant to the Scheme, such limits being incremental to the existing limits of REPPL under section 293 of the Act.
5. NOCIL (by its Directors), NPL (by its Directors) and REPPL (by its Directors), may, in their sole and absolute discretion, assent to any alteration or modification to this Scheme which the High Court and/or any other authority may deem fit to approve or impose and may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to its implementation or in any matter connected therewith including any question or difficulty rising in connection with any deceased or insolvent shareholders or creditors of the respective companies.
8. The Scheme is conditional upon and subject to:
 - a. The vacation of the stay granted in terms of the order dated December 06, 2001 passed by the Industrial Court, Thane in ULP No. 543 of 2001
 - b. Such other sanctions and approvals as may be required by law in respect of the Scheme being obtained.

ANNEXURE - A.

ASSETS TO BE TRANSFERRED BY NOCIL TO REPPL.

1. Land bearing Plot No. 5 described under Part-I hereof, land bearing Plot No. 6, described under Part-II hereof and land bearing plot No.R-801, described under part-III hereof and areas all the aforesaid plots totaling about 500 acres, and NOCIL Housing Colony at Thane-Belapur Road, Navi Mumbai, described under Part-IV hereof (including buildings and structures along with furnitures, fixtures and fittings thereon).
- 1.1 Part-I: Land bearing Plot Nos. 5 described hereunder :

Description of Plot No. 5 immovable properties.

All that piece or parcel of land known as Plot No. 5 in Trans Thane Creek Industrial Area in the Villages of Ghansoli and Tetavali, Navi Mumbai (erstwhile Taluka - Thane, District-Thane) containing by admeasurement 11,75,059 sq.mtrs. or thereabouts which said piece of land bears the Gat Number and areas as follows :

Gat No.	Area A.G As	Gat No.	Area A.G As
Village Ghansoli			
367 pt.	0-6-0	372	2-10-8
368 pt.	1-20-0	373	0-31-4
369 pt.	2-29-0	374	3-37-8
370	0-24-0	375 pt.	2-6-12
371	0-3-0	376 pt.	1-19-12
377 pt.	4-2-0	411	0-1-0
378 pt.	5-21-4	412	0-37-4
382 pt.	0-2-0	413	1-30-8
383 pt.	0-22-0	414	0-30-0
384	0-7-0	415	2-2-8
385 pt.	0-26-0	416	0-2-0
386 pt.	5-12-12	417	1-39-12
387	0-37-4	418	2-5-12
388	0-4-8	419	10-24-8
389	1-3-4	420	0-15-0
390	3-14-0	421	0-15-4
391	0-8-12	422	0-6-12
392	0-25-4	423	18-19-4
393-A	1-6-12	424	1-15-4
393-B	0-14-12	434	2-23-12
394	1-16-4	425	0-32-8
395	0-19-8	426	1-34-12
396	0-20-12	427	1-4
397	1-11-8	428	1-23-4
398 pt.	0-32-0	429	0-4-0
399 pt.	0-6-0	430	0-16-8

Gat No.	Area A.G. As	Gat No.	Area A.G. As
406 pt.	2-20-8	431	1-0-0
407	0-35-12	432	0-22-4
408	2-20-12	433	3-10-12
409	1-21-12	434	2-23-12
410	0-1-0	435	0-2-4
		436	0-38-12
437	0-15-0	468	1-12-4
438	0-20-12	469	0-22-8
439	0-12-0	470 pt.	7-19-4
440	0-6-4	471 pt.	0-9-0
441	0-10-12	472 pt.	8-32-4
442	0-5-0	473	0-8-0
443	0-9-0	474 pt.	1-34-0
444	0-5-8	476 pt.	0-1-4
445	0-33-0	477 pt.	2-16-0
446	0-11-8	478	0-7-0
447	2-25-12	479	0-15-12
448	0-30-4	480	3-36-12
449	1-5-12	481	2-31-0
450	0-19-12	482	2-12-8
451	0-8-4	483	0-29-0
452	0-38-4	484	0-7-4
453	0-8-8	485	1-39-4
454	1-7-0	486	1-13-8
455	0-23-4	487	2-29-12
456	0-9-8	488	0-11-8
457 pt.	1-12-12	489	2-28-0
458 pt.	0-2-8	490	4-32-12
462 pt.	0-10-8	490	4-10-4
		491	1-10-4
464 pt.	0-5-0	492	0-34-12
465	1-15-4	493	0-21-0
467 pt.	11-16-0	494	1-23-4
495	1-11-0	523	1-27-8
496	7-28-0	524	1-27-4
497	0-38-0	525 pt.	0-34-0
498	0-8-0	526 pt.	0-32-0
499	3-5-8	527 pt.	0-36-0
500	2-38-0	548 pt.	0-2-0
501	0-6-0	549 pt.	0-18-12
502	3-30-8	550 pt.	1-34-8
503	0-14-4	551 pt.	5-6-0
504	0-16-0	552	1-21-0
505	2-39-12	553	0-16-0
506	0-9-8	554 pt.	0-3-0
507	0-25-8	555 pt.	0-30-0
508	1-16-8	556 pt.	1-20-0

Gat No.	Area A.G As	Gat No.	Area A.G As
509	1-9-12	593 pt.	0-25-8
510	0-8-124	594	1-12-4
511	1-37-12	595 pt.	0-37-4
512	0-26-12	596	0-2-0
513	0-19-4	597	0-23-12
514	0-19-8	598	1-31-4
515	0-30-8	599	0-6-0
516	2-22-0	600 pt.	0-37-0
517	2-27-4	614 pt.	0-23-4
518	0-17-12	615	0-20-0
519	0-14-4	616	1-24-0
520	0-6-4	617 pt.	5-26-12
521	1-35-0	628 pt.	0-16-0
522	0-20-0	629	0-11-4
			262-6-4
Village Tetavali			
16 pt.	1-39-0	122	0-24-0
112 pt.	2-15-0	123 pt.	0-26-0
115 pt.	0-13-0	126 pt.	0-19-0
116-A pt.	1-2-0	132 pt.	3-33-0
116-B pt.	1-18-0	133 pt.	2-17-0
117 pt.	1-1-4	151 pt.	0-25-4
118	0-23-4	162	0-7-12
119	0-25-0	163	0-12-4
120-A pt.	8-8-8	Nala pt.	0-10-0
120-B	1-3-4		
121	0-7-0		
			28-9-8
		Total	290-15-12
		=	11,75,059 sq.mts.

1.2 PART-II : Land bearing Plot No. 6 described hereunder :

Description of Plot No. 6 immoveable properties.

All that piece and parcel of land known as Plot No. 6 in Trans Thana Creek Industrial Area in the Villages of Talavali, Tetavali, Ghansoli and Rabale, Navi Mumbai (erstwhile Taluka and Registration Sub-District Thana, District Thana) containing by admeasurement 4,97,454 sq.mts or thereabouts which said piece of land bears the Gat Numbers and areas as follows :

Village Ghansoli			
Gat No.	Area		
	A.	G.	As.
375 pt.	0	2	0
376 pt.	0	11	0

Village Ghansoli			
Gat No.	Area		
	A.	G.	As.
377 pt.	0	23	8
378 pt	3	5	0
379 pt	2	14	8
Village Tetavli			
1 pt.	1	20	0
2 pt.	0	20	8
4 pt.	0	10	0
5 pt.	0	10	12
6	0	20	12
7	0	15	0
8	1	37	0
9	0	23	0
10	1	25	9
11	0	4	0
12	1	32	0
13	0	9	0
14	0	6	0
15	0	17	0
16 pt.	5	21	0
17	2	9	8
18	1	21	0
19	2	29	0
20	1	15	8
21	0	2	0
22	0	12	0
23 pt	0	37	4
24 pt	0	11	0
25 pt	1	2	0
29 pt	0	22	0
30 pt	4	14	8
38 pt	3	16	0
100 pt	0	32	0
101	0	23	0
102 pt	0	32	0
105 pt	0	30	0
106	0	31	8
107	1	2	0
108	1	10	1
109	0	24	4
110	6	10	0
111	1	0	8
112 pt	5	9	0
113	1	2	0

Gat No.	Area		
	A.	G.	As.
114	0	14	0
115 pt	0	16	8
116A pt	0	7	4
117 pt	0	28	0
120A pt	2	0	0
123 pt	1	3	8
124	0	28	4
125	0	25	0
126 pt	0	16	8
127	2	6	8
128	0	17	0
129	0	23	8
130	0	3	0
131	3	8	0
132	3	11	12
133 pt	0	9	8
134	0	11	4
135	4	10	4
136	1	13	0
137	3	5	8
138	0	26	0
139	0	15	8
140	1	31	8
141	0	23	8
142 pt	0	4	0
143	0	8	12
144	0	2	0
145 pt	4	4	0
149	3	26	0
150	1	10	0
151 pt	0	17	4
153	2	22	12
154	0	37	12
155	2	4	4
156	0	22	4
157	1	3	0
158	0	19	8
159	0	21	4
160	0	5	0
161	2	0	4
164	0	30	8
165	0	31	0
166 pt	0	25	0
167 pt	0	20	4

Gat No.	Area		
	A.	G.	As.
178	0	25	8
Nala pt	1	10	0
Village Rabale			
41 pt	0	2	12
42 pt	4	0	0
43 pt	1	8	0
248 pt	0	4	0
Nala pt	1	0	0
Village Talavli			
84 pt	1	0	12
Nala pt	0	30	0
Total	122	36	0
Total Area - 4,97,454 Sq. Metres.			

1.3 Part - III Additional Plot of Land comprising Plot No. R-801, TTC Industrial Area :

Description of Plot No. R-801 Land :

All that piece of land known as Plot No. R-801 in the Trans Thane Creek Industrial Area, within the village limits of Tetavali and Ghansoli and within the limits of Navi Mumbai (erstwhile Taluka Thane, District Thane) containing by admeasurement 4,36,122 square metres or thereabouts and bounded as follows, that is to say :

- On or towards the North by : MIDC LAND, Forest Land and MIDC Road
On or towards the South by : Forest Land, Plot No. R-802 and MIDC Road
On or towards the East by : Forest Land and MIDC Road
On or towards the West by : Plot Nos. 22,4,5 and 6.

1.4 Part-IV : NOCIL Housing Colony at Thane Belapur Road, Navi Mumbai (including buildings and structures along with furnitures, fixtures and fittings thereon).

Description of the Housing Colony land at Thane Belapur Road, Navi Mumbai.

All that piece and parcel of land in the village of Gothivali and Talavali in Turbhe, Navi Mumbai containing by admeasurement in the aggregate 1,02,828 square meters or thereabouts on which the residential Colony for the employees of NOCIL is situated and which bears the following Survey Nos :

At Village Gothivali			
Survey No.	Hissa No.	Survey No.	Hissa No.
33	2	34	1
100	2	32	2
100	3	45	-

Survey No.	Hissa No.	Survey No.	Hissa No.
100	4	31	3
100	5	20	5
		32	1
99	13B	99	6
99	12A	99	7
99	13A	17	2
99	10A	99	5A
99	1B	34	4
99	11		
99	12B		
99	1A		
99	9C		
99	10C		
30	1		
34	2		
34	3		
17	5A		
17	6		
34	7		
48	-		
33	1		
33	3		
99	4		
99	10A		
99	2		
34	6		
99	10B		
99	5B		
17	7A		
17	7C		
17	8B		
32	3		
35	2		
29	2		
34	5		
100	1		
29	7		
99	5B		
99	10B		
At Village Talavali :			
Survey No.		Hissa No.	
49		3 (Part)	
Total Area = 1,02,828 Sq. Metres (approx.)			

2. Part-V, Other Assets :
 - 2.1 Naphtha pipeline from Bharat Petroleum Corporation Limited (BPCL), Mumbai Refinery to the Petrochemicals Division.

- 2.2 Ethylene Pipeline from IPCL, Nagothane to the Petrochemicals Division.
- 2.3 All plants, buildings, warehouses movables, immovable articles, fixtures, fittings of all nature and the Research and Development facility (including pilot plant) located, lying and situated on the above mentioned plots.
- 2.4 The engineering workshops located on the plots mentioned above.
- 2.5 Tank farm, boiler, pumps, compressors, Diesel Generating set and other utility equipments at the Petrochemicals Division.
- 2.6 Stores and spares at the Petrochemicals Division.
- 2.7 MSEB deposits aggregating to approximately Rs. 6 crores (Rupees six crores only) and any other deposits related to the division that may be with MIDC.
- 2.8 All intangible assets including technology other than HTPB.

ANNEXURE - B

ASSETS TO BE TRANSFERRED BY NOCIL TO NPL.

All tangible Fixed Assets (including the land on which the Plastic Products Division's (PPD) factory, office and the housing colony are situate at Akola, Maharashtra, the descriptions whereof are given hereunder) including all realisable current assets as on 1st April 2004.

DESCRIPTION OF FACTORY PROPERTY OF PPD AT AKOLA

All that piece or parcel of land known as Plot No. C-1 in the Akola Industrial Area, within the Village limits of Shivar, and within the limits of Akola Municipal Council, Taluka and Registration Sub District Akola, District and Registration District Akola containing by admeasurement 1,62,590=00 square metres or thereabouts, that is to say :

- | | | |
|----------------------------|---|--|
| On or towards the North by | : | Estate Road. |
| On or towards the South by | : | Plot No. C-20, Open space and Plot No. C-10/3 and MIDC Land. |
| On or towards the East by | : | Plot No. C-3, C-4, C-5, C-6, C-7/2, C-2/1 and C-7/1. |
| On or towards the West by | : | Estate Road, MIDC Land, Plot No. C-16 to C-19. |

DESCRIPTION OF THE PPD'S HOUSING COLONY AT KULKHED, AKOLA

All that piece and parcel of land admeasuring 45,037.64 square metres or thereabouts covered under the Akola Municipal Corporation and registered as House No. 1, Ward No. 42/2 with the Akola Municipal Corporation, lying and situate as follows :

- On or towards the North by : Plot of land bearing Municipal House No. 42/2-532 known as Bharatiya's Farm.
- On or towards the South by : Ring Road running East to West (to the East by Sant Tukaram Hospital and to the West towards Kulkhed).
- On or towards the West by : Vacant Plot belonging to Sawatram Dairy products bearing Municipal House No. 42/2B-457.
- On or towards the East by : Plots of Residential Houses comprising Municipal House No. 42/2-2 of Mr. Swamy and others called Samata Colony.

ANNEXURE - C

DEBT TO BE TRANSFERRED TO REPPL BY NOCIL

(Rs. Crores)

Sr. No.	Institution/Bank	Principal outstanding as on 30-09-01	To be retained by NOCIL	To be transferred to REPPL
1	2	3	4	5
A. Institutions				
1	ICICI	21.00	4.20	16.80
2	IDBI - Loan	1.13	0.23	0.90
3	IDBI - Debentures	3.40	0.68	2.72
4	IIBI	17.68	3.54	14.14
5	IL & FS	14.00	2.80	11.20
	Total (A)	57.21	11.44	45.77
B. Banks				
1	State Bank of India	73.76	14.75	59.01
2	Union Bank of India	49.18	9.84	39.34
3	Bank of Baroda	15.54	3.11	12.43
4	Standard Chartered Bank	3.26	0.65	2.61
5	ABN Amro Bank	17.43	3.49	13.94
6	Bank of India	17.69	3.54	14.15
7	Corporation Bank	16.25	3.25	13.00
8	Central Bank of India	19.03	3.81	15.22
9	Canara Bank	8.44	1.69	6.75
10	State Bank of Indore	5.26	1.05	4.21
11	Barclays Bank PLC	3.31	0.66	2.65
	Total (B)	229.15	45.83	183.32
C. Others				
1	BPCL	110.00		110.00
2	MSEB/MIDC	12.00		12.00
	Total (C)	122.00	0.00	122.00
	Total (A+B+C)	408.36	57.27	351.09

**ANNEXURE - D
(OPTION 'A')**

**ONE TIME SETTLEMENT OF THE LIABILITIES TO BE
TRANSFERRED TO REPPL BY NOCIL**

(Rs. Crores)

Sr. No.	Institution/Bank	Principal Debt to be transferred to REPPL	One Time Settlement		
			Cash	Equity	13 Year ZCB
1	2	3	4	5	6
A. Institutions					
1	ICICI	16.80	5.60	5.60	5.60
2	IDBI - Loan	0.90	0.30	0.30	0.30
3	IDBI - Debentures	2.72	0.91	0.91	0.91
4	IIBI	14.14	4.71	4.71	4.71
5	IL & FS	11.20	3.73	3.73	3.73
	Total (A)	45.77	15.26	15.26	15.26
B. Banks					
1	State Bank of India	59.01	19.67	19.67	19.67
2	Union Bank of India	39.34	13.11	13.11	13.11
3	Bank of Baroda	12.43	4.14	4.14	4.14
4	Standard Chartered Bank	2.61	0.87	0.87	0.87
5	ABN Amro Bank	13.94	4.65	4.65	4.65
6	Bank of India	14.15	4.72	4.72	4.72
7	Corporation Bank	13.00	4.33	4.33	4.33
8	Central Bank of India	15.22	5.07	5.07	5.07
9	Canara Bank	6.75	2.25	2.25	2.25
10	State Bank of Indore	4.21	1.40	1.40	1.40
11	Barclays Bank PLC	2.65	0.88	0.88	0.88
	Total (B)	183.32	61.11	61.11	61.11
C. Others					
1	BPCL	110.00	57.00	-	-
2	MSEB/MIDC	12.00	12.00	-	-
	Total (C)	122.00	69.00	0.00	0.00
	Total (A+B+C)	351.09	145.36	76.36	76.36

**ANNEXURE - E
(OPTION 'B')**

**ONE TIME SETTLEMENT OF THE LIABILITIES TO BE
TRANSFERRED TO REPPL BY NOCIL**

(Rs. Crores)

Sr. No.	Institution/Bank	Principal Debt to be transferred to REPPL	One Time Settlement	
			Cash	Equity
1	2	3	4	5
A. Institutions				
1	ICICI	16.80	5.60	11.20
2	IDBI - Loan	0.90	0.30	0.60
3	IDBI - Debentures	2.72	0.91	1.82
4	IIBI	14.14	4.71	9.42
5	IL & FS	11.20	3.73	7.46
	Total (A)	45.77	15.26	30.50
B. Banks				
1	State Bank of India	59.01	19.67	39.34
2	Union Bank of India	39.34	13.11	26.22
3	Bank of Baroda	12.43	4.14	8.28
4	Standard Chartered Bank	2.61	0.87	1.74
5	ABN Amro Bank	13.94	4.65	9.30
6	Bank of India	14.15	4.72	9.44
7	Corporation Bank	13.00	4.33	8.66
8	Central Bank of India	15.22	5.07	10.14
9	Canara Bank	6.75	2.25	4.50
10	State Bank of Indore	4.21	1.40	2.80
11	Barclays Bank PLC	2.65	0.88	1.76
	Total (B)	183.32	61.11	122.18
C. Others				
1	BPCL	110.00	57.00	-
2	MSEB/MIDC	12.00	12.00	-
	Total (C)	122.00	69.00	0.00
	Total (A+B+C)	351.09	145.37	152.68

**ANNEXURE - F
(OPTION 'A')**

**ONE TIME SETTLEMENT OF THE LIABILITIES TO BE RETAINED
BY NOCIL**

(Rs. Crores)

Sr. No.	Institution/Bank	To be retained by NOCIL	One Time Settlement		
			Cash	Equity	13 Year ZCB
1	2	3	4	5	6
A. Institutions					
1	ICICI	4.20	1.40	1.40	1.40
2	IDBI - Loan	0.23	0.08	0.08	0.08
3	IDBI - Debentures	0.68	0.23	0.23	0.23
4	IIBI	3.54	1.18	1.18	1.18
5	IL & FS	2.80	0.93	0.93	0.93
Total (A)		11.44	3.81	3.81	3.81
B. Banks					
1	State Bank of India	14.75	4.92	4.92	4.92
2	Union Bank of India	9.84	3.28	3.28	3.28
3	Bank of Baroda	3.11	1.04	1.04	1.04
4	Standard Chartered Bank	0.65	0.22	0.22	0.22
5	ABN Amro Bank	3.49	1.16	1.16	1.16
6	Bank of India	3.54	1.18	1.18	1.18
7	Corporation Bank	3.25	1.08	1.08	1.08
8	Central Bank of India	3.81	1.27	1.27	1.27
9	Canara Bank	1.69	0.56	0.56	0.56
10	State Bank of Indore	1.05	0.35	0.35	0.35
11	Barclays Bank PLC	0.66	0.22	0.22	0.22
Total (B)		45.83	15.28	15.28	15.28
Total (A+B+C)		57.27	19.09	19.09	19.09

**ANNEXURE - G
(OPTION 'B')**

**ONE TIME SETTLEMENT OF THE LIABILITIES
TO BE RETAINED BY NOCIL**

(Rs. Crores)

Sr. No.	Institution/Bank	To be retained to NOCIL	One Time Settlement	
			Cash	Equity
1	2	3	4	5
A. Institutions				
1	ICICI	4.20	1.40	2.80
2	IDBI - Loan	0.23	0.08	0.16
3	IDBI - Debentures	0.68	0.23	0.46
4	IIBI	3.54	1.18	2.36
5	IL & FS	2.80	0.93	1.86
	Total (A)	11.44	3.81	7.64
B. Banks				
1	State Bank of India	14.75	4.92	9.84
2	Union Bank of India	9.84	3.28	6.56
3	Bank of Baroda	3.11	1.04	2.08
4	Standard Chartered Bank	0.65	0.22	0.44
5	ABN Amro Bank	3.49	1.16	2.35
6	Bank of India	3.54	1.18	1.86
7	Corporation Bank	3.25	1.08	2.16
8	Central Bank of India	3.81	1.27	2.54
9	Canara Bank	1.69	0.57	1.12
10	State Bank of Indore	1.05	0.35	0.70
11	Barclays Bank PLC	0.66	0.22	0.44
	Total (B)	45.83	15.28	30.56
	Total (A+B)	57.29	19.09	38.20

Special/Ordinary Resolutions Passed at the 43rd Annual General Meeting of the Company held on 15th September 2005

ORDINARY RESOLUTION

"RESOLVED THAT pursuant to Clause 49 of the Listing Agreement entered with the various Stock Exchange(s), the Board of Directors of the Company be and are hereby authorised to fix and pay sitting fees for attending meetings of the Board of Directors and /or Committees thereof to the Non-Executive Directors (including Independent Directors) within the limits prescribed by the Central Government under provision of section 310 and other applicable provisions of the Companies Act, 1956, if any, as amended from time to time."

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Clause 5 of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded for the voluntarily delisting of the equity shares of the Company from The Stock Exchange, Ahemadabad and The Calcutta Stock Exchange Association Limited, Kolkatta."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to take such steps as may be necessary to give effect to this resolution."

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of section 309 (7) and other applicable provisions, if any, of the Companies Act, 1956, the Company in the General Meeting do hereby renew the Special Resolution authorising the payment of commission at the rate of up to 1% of the net profits of the Company computed in the manner as laid down under sections 198, 349 and 350 of the Companies Act, 1956, in each year to the Directors of the Company other than the Managing Director and Whole-time Directors of the Company (apart from sitting fees and expenses incurred for attending the meeting of the Board or the Committee (s) thereof) for a further period of five years from 1st September, 2004, and that such commission as may be divided by the Board of Directors of the Company amongst such Director or Directors and / or any ex-Director(s) including Alternate Directors and in such manner or proportion and on such basis as they may in their discretion decide."

Board Resolution regarding the Terms of appointment and remuneration of Mr. C.R. Gupte as Managing Director of the Company passed at the Meeting of the Board of Directors held on 30th January 2006

"IT WAS RESOLVED THAT subject to the approval of the Central Government being obtained in terms of the provisions of Section 198, 269 and other applicable provisions, if any, of the Companies Act, 1956 and further subject to the approval of the Shareholders being obtained in the General Meeting to be held next hereafter, approval be and is hereby given for payment of revised remuneration to Mr. CR. Gupte, Managing Director of the Company for a period of three years with effect from 1st April 2006 as per the following details:

- I) (a) Salary of Rs.2,50,000/- (Rupees Two Lac Fifty Thousand only) per month including Dearness Allowance.
- (b) Perquisites and Allowances the aggregate monetary value of which shall not exceed Rs.9,00,000 /- (Rupees Nine Lakhs only) per annum or as may be decided by the Board from time to time. These perquisites and other allowances will be in addition to items mentioned in Clause No.: III below.
- (c) The salary and perquisites as mentioned under (a) and (b) above will be exclusive of:
 - (i) Contribution to the Provident Fund, Superannuation Fund or Annuity Fund to the extent they are not taxable under the Income Tax Act, 1961.
 - (ii) Gratuity at the rate of one month's salary for every completed year of service or part thereof in excess of six months on the basis of the last drawn salary.
 - (iii) Encashment of leave as per Company's Rules at the end of the tenure of service from the Company.
- II) Performance Bonus not exceeding a sum of Rs.90 lakhs per annum as may be fixed by the Board from time to time on the basis of the performance of the Company.
- III) Apart from the above mentioned remuneration, he shall be entitled to:
 - (a) Furnished Residential Accommodation. In case no accommodation is provided by the Company he will be entitled to a suitable House Rent Allowance.
 - (b) Leave as per the Rules of the Company.
 - (c) Reimbursement of Domiciliary Medical Expenses actually and properly incurred by him and his family and Mediclaim Policy for hospitalisation.
 - (d) Expenses actually and properly incurred by him in the course of legitimate business of the Company.
 - (e) Long Service benefits at the rate of one and half month's salary for every completed year of service or part thereof in excess of six months on the basis of last drawn salary.
 - (f) Club Membership Fees subject to a maximum of two Clubs.
 - (g) Personal Accident Insurance Policy.

(h) Provision for use of Motor Car with Driver for both official and personal use and reimbursement of Telephone, Gas and Electricity expenses at residence.

(i) Life Insurance as per the rules of the Company."

"IT WAS FURTHER RESOLVED THAT Mr. U.M. Karnik, Company Secretary be and is hereby authorized to take effective steps to submit the necessary application to the Central Government and to place a suitable Resolution as a Special Resolution at the General Meeting to be held next hereafter for obtaining the approval of the Central Government and the shareholders for payment of the revised remuneration to Mr. C.R. Gupte".

Special/Ordinary Resolutions Passed at the 44th Annual General Meeting of the Company held on 31st July 2006

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to sections 198,269 and 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government and the shareholders of the Company being obtained, approval be and is hereby given for increase in the remuneration of Mr. C.R. Gupte, Managing Director of the company, with effect from 1st April 2006 for a period of three years, on the revised terms and conditions as set out in the Explanatory Statement annexed to the Notice of this Meeting and in the absence or inadequacy of profits in any of the said three years, the said remuneration may be paid to him as minimum remuneration with the liberty to the Board of Directors to alter and vary the said terms and conditions in such a manner as may be agreed to between the Board of Directors and Mr. C.R. Gupte."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to take such steps as may be necessary to give effect to this Resolution."

ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 293(1) (e) and other applicable provision, if any, of the Companies Act, 1956, the Company in General Meeting hereby accords its consent to the Board of Directors contributing, from time to time, to charitable and other funds or institutions not directly relating to the business of the Company or the welfare of the Company notwithstanding, that the moneys to be contributed together with the moneys already contributed by the Company in any financial year will or may in aggregate exceed Rupees Fifty Thousand or five per cent of the average net profits of the Company as determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956 during the three financial years immediately preceding, whichever is greater, but so that the aggregate amount of such contributions by the Board of Directors shall not exceed a sum of Rs.10 lakhs in each of the financial year from 1st April 2006."

*Special Resolutions Passed at the 45th Annual General Meeting of the
Company held on 27th August 2007*

SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, (the Act), the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as "SEBI Guidelines") or any statutory modification(s) or re-enactment of the Act or the SEBI guidelines, provisions of any other applicable laws or regulations and listing agreement (s) entered into by the Company with the stock exchanges where the securities of the Company are listed and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and which may be agreed to and accepted by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof, including the Remuneration Committee to whom the Board has vested the necessary powers, including the powers, conferred by this resolution), the consent of the Company be and is hereby accorded to introduction of the "Employee Stock Option Scheme-2007" (hereinafter referred to as the "ESOS-2007" or the "Scheme"), the salient features of which are furnished in the Explanatory Statement to the Notice and the consent of the Company be and is hereby accorded to the Board of Directors of the Company to create, grant, offer, issue and allot at any time to or to the benefit of such person(s) as may be determined by the Remuneration Committee and who are in permanent employment of the Company in the management cadre, including any Managing Director and Whole time Director(s) of the Company (hereinafter collectively referred to as the "designated employees") as are proposed to be covered under the Scheme, options exercisable into not more than 80,00,000 equity shares of Rs.10/- each of the Company being approximately 5% of the paid-up equity share capital of the Company, in one or more tranches, and on such terms and conditions as may be fixed or determined by the Board or the Remuneration Committee in accordance with the provisions of the law, SEBI guidelines or guidelines issued by the relevant Authority(ies)."

"RESOLVED FURTHER THAT without prejudice to the generality of the above the Board be and is hereby authorized to formulate the Scheme (including terms relating to eligibility of the said designate employees under the Scheme), to grant the options under the Scheme (detailing the terms of the option) at such time or times as it may decide in its absolute discretion."

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger, demerger, amalgamation, sale of division and any other form of corporate restructuring, if any additional equity shares are required to be issued by the Company to the Option Grantees for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 80,00,000 equity shares of

Rs.10/- each shall be deemed to be increased proportionately to the extent of such additional equity shares issued."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot equity shares upon exercise of options from time to time in accordance with the Scheme and such equity shares shall rank pari passu in all respect with the then existing equity shares of the Company."

"RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the Option Grantees under the Scheme shall automatically stand reduced or augmented, as the case may be, in the same proportion as the present face value of Rs.10/- per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the securities allotted under the Scheme on the stock exchanges where the securities of the Company are listed as per the provisions of the listing agreement(s) with the concerned stock exchanges, the SEBI guidelines and other applicable laws and regulations."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the Securities without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the said Scheme as it may deem fit, from time to time in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, SEBI Guidelines and any other applicable laws."

SPECIAL RESOLUTION

"RESOLVED THAT the name of the Company be changed from "National Organic Chemical Industries Limited" to "NOCIL Limited".