
MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
B. P. CAPITAL LIMITED



सत्यमेव जयते
प्रारूप एक
Form 1

निगमन का प्रमाण पत्र

Certificate of Incorporation

सं० 55-57572 शक 19 15
No. 55-57572 of 19 93-94

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज बी.पी. कैपिटल लिमिटेड

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

I hereby certify that B.P. CAPITAL LIMITED

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

मेरे हस्ताक्षर से आज ता० 5 फाल्गुन, 1915 को दिग गया।

Given under my hand at NEW DELHI this TWENTY FOURTH

day of FEBRUARY One thousand nine hundred and NINETY FOUR.



H.S. Sharma

। एच.एस. शर्मा ।
अपर कम्पनी रजिस्ट्रार
दिल्ली एवं हरियाणा

(H.S. SHARMA)
ADDL. Registrar of Companies
DELHI & HARYANA

COMPANY NO ...55-57572



सत्यमेव जयते

Certificate for Commencement of Business

व्यापार प्रारम्भ करने का प्रमाण-पत्र
Pursuant to section 149 (3) of the Companies Act, 1956
कम्पनी अधिनियम 1956 की धारा 149 (3) के अनुसार में

I hereby certify that the B.P. CAPITAL LIMITED

में एतद द्वारा प्रमाणित करता हूँ, बी. पी. कैपिटल लिमिटेड

which was incorporated under the Companies Act, 1956 on

जो कि कम्पनी अधिनियम, 1956 के अन्तर्गत पंजीकृत की गई थी दिनांक 5 फाल्गुन, 1915
the TWENTY FOURTH day of FEBRUARY 1994

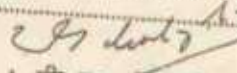
and which has filed duly verified declaration in the
और जिस ने कि यथावत् निर्धारित प्रपत्र में सत्यापित घोषणा पत्र प्रस्तुत
prescribed form that the conditions of section
कर दिया है कि उस ने धारा 149 (2) (क) से (ग)
149 (2) (a) to (c) of the said Act, have been complied with is entitled
को सभी शर्तों का अनुपालन कर दिया है, अतः व्यापार आरम्भ करने का
to commence business.
अधिकारी है।

Given under my hand at NEW DELHI

मेरे हाथों से आज दिनांक 1 चैत्र, 1916
this TWENTY SECOND day of MARCH

One thousand nine hundred and Ninety FOUR,
को जारी किया गया।




। वी. एस. गलगली ।
कम्पनी रजिस्ट्रार
दिल्ली एवं हरियाणा
(V.S. GALGALI)
Registrar of Companies
DELHI & HARYANA

(THE COMPANIES ACT, 1956)

(COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION
OF
B. P. CAPITAL LIMITED

- I. The Name of the Company is B. P. CAPITAL LIMITED.
- II. The Registered Office of the Company will be situated in the State of Haryana

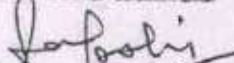
III. The objects for which the Company is established are :-

(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATIONS ARE :-

1. To carry on the business of merchant banking in all its aspects to act as managers to issues and offer whether by way of public offer or otherwise of shares, debentures, bonds, units, participation certificates, deposit certificates, notes, bills, warrants or any other instruments whether or not transferable or negotiable or otherwise commercial paper or scripts (hereinafter collectively referred to as the "securities"). To act as a agent of and or dealers, brokers, in the securities and or foreign exchange securities/currency in the course of merchant banking managers, lead managers, co-managers, advisors and counsellors in investment and stand by or procurement arrangement, to issue guarantees or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investment, and stand by or procurement arrangement, to issue guarantees or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription for the securities, to manage portfolio investments, and provide services in portfolio management and analysis, to provide investment assistance for the purpose herein, to act as issue house, registrars to issue, transfer agents, for the securities, to manage and administer computer centres and clearing houses for the securities to form syndicates or consortia of managers, agents and purchasers for or/ of any of the securities, to acquire and hold one or more memberships in the stock/security exchanges, OTC, trade associations, commodity exchanges, clearing houses or associations or otherwise in India or any part of the world to act as brokers, dealers and agents in connection with the securities, bullions and precious metals or others to syndicate any financial arrangements whether in domestic market or an international market and whether by way of loans or guarantees, or export and yard credits, and to acquire and hold membership in any national or international association to act as off shore bankers, merchant bankers, brokers, security dealers or any other associations, membership of which will or is likely in any way to facilitate the conduct of the company's business, to undertake the work of factoring of debts bills and other commercial papers, and to arrange and/or co-ordinate documentation and negotiation in this regard.

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For B. P. CAPITAL LIMITED


Company Secretary

11. To guarantee the payment of money unsecured or secured or payable under or in respect of promissory notes, bonds, debenture stocks, contracts, mortgages, charges, obligations, instruments and securities of any company or of any authority, supreme, municipal, local or of any persons whether incorporated or not incorporated and to guarantee or become sureties for the performance of any contracts or obligations as may be necessary for the business of the Company.
12. To subscribe for acquire, hold and dispose off shares, share-stock, debentures, bonds, debenture-stock, mortgages, obligations, securities of any kind issued or guaranteed by any company (Body corporate undertaking) of whatever nature and whatsoever constituted or carrying on the main business and to subscribe for, acquire, hold and dispose off shares, debentures and debenture-stocks and debenture-bonds, mortgages, obligations and such other securities issued or guaranteed by any Government, trust, Municipal, local or such other authority or body of whatever nature, whether in India or elsewhere as may be conducive to the main business of the Company.
13. To invest in other than in Company's own shares, any money of the Company not immediately required in any investments movable or immovable as may be through proper and to hold, sell investments, shares or stock in the company as may be necessary for the business of the Company.
14. Subject to Section 58A and 292 of the Act and the Regulations made thereunder and the directions issued by Reserve Bank of India to receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture-stock (perpetual or otherwise) and to secure the payment of any money borrowed, raise or owing on the mortgage, charge or lien upon all or any of the property or assets of the Company (both present or upon all or any of the property or assets of the Company (both present or future) including its uncalled capital and also by similar mortgage, charge or lien to secure and guarantee the performance by the Company, or any other such person or Company, of any obligations undertaken by the Company.
15. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, debentures and other negotiable or transferable instruments or securities.
16. To apply for, purchase or otherwise acquire and protect, prolong and renew in any part of the world, any patents, patent rights, brevets d'inventions, trademarks, designs, licences, protections, and concessions conferring any exclusive or non-exclusive or limited right to their use of information as to any invention, process or privileges which may seem capable of being used for the objects of the Company or the acquisition of which may seem calculated directly or indirectly, to benefit the company and to use, exercise, develop or grant licences or privileges in respect of the property, rights and information so acquired.
17. To spend money in experimenting upon and testing and improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or purpose to acquire.
18. To do all or any of the things wither as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others and either by to

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Bar B. CAPITAL LIMITED

[Handwritten Signature]
Company Secretary

through agents, sub-contractors, trustees or otherwise for attainment of the main objects.

19. To acquire and takeover all, or any part of the business property and liabilities of any person, firm or company carrying on or proposing to carry on any business which this Company is authorised to carry on or possess property, suitable for the main business of the Company.
20. To procure the registration or recognition of the company in or under the laws of any place outside India.
21. To form, incorporate or promote any company or companies whether in India or elsewhere having amongst its or their objects the acquisition of all or any of the assets or controls, management or development of the company or any other such objects which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or company in any manner it shall think fit and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in the Company or the conduct of its business or about the promotion of any other such company in which the Company may have any interest.
22. Subject to the provision of Section 391 to 394 of the companies Act, 1956, to amalgamate or to enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture or reciprocal with any person or person of company or companies carrying on or engaged in any business the Company is authorised to carry on.
23. To enter into arrangements and take all necessary or proper steps with Governments or with other such authorities, supreme, national, local municipal or otherwise of any place in which the Company may have interests and to carry on negotiations or operations for the purpose of directly carrying out the objects of the Company or effecting any modification in the constitution of the company or to further the interest of the members and oppose any such steps taken by any other company, firm or person which may be considered directly or indirectly, likely, to prejudice the interest of the company or its members, and to assist in the promotion whether directly or indirectly of any legislation which may seem advantageous to the company and to obtain from any such Government authority and company any charters, contracts, decrees, right, grants, loans, privileges, or concessions which the company may think it desirable to obtain and carry out, exercise and comply with any such arrangements, charters, decrees, rights, privileges or concessions.
24. To adopt such means of making known the main business of the Company as may seem expedient and in particular by advertising in the press by circulars, by purchase and exhibition of works of art of interest, by publication of books and periodicals any by granting prizes, rewards and donations.
25. (a) To undertaken and execute any trust, the undertaking of which may seem to the Company desirable and either gratuitously or otherwise and vest any real or personal property, rights or interests acquired by

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For B. P. CAPITAL LIMITED

[Signature]
Company Secretary

or belonging to the company or on behalf of the company and with or without and declared trust in favour of the Company.

- (b) To accept gifts including by way of awards/prizes from govt. and semi-govt. bodies and to give gifts and donations to create trust for the welfare of employees, members, directors and/or their dependents, heirs and children and for deserving object for and other person also and to act as trustees.
26. To apply the assets of the Company in any way or towards the establishment, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade or commerce and particularly with the trade, including any association, institution or fund for the interests of masters, owners and employers against loss by bad debt, strike, combustion, fire accident or otherwise or for the benefit of any employee workman or other at any time employed by the Company or any of its predecessors in business or their families of dependents and whether or not in common with such other persons or classes of person and in particular of friendly, co-operative and such other societies, reading rooms, libraries, educational and charitable institutions, dining and recreation rooms, churches, chapels, schools; and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscription for any purpose.
 27. To aid pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement of industrial or labour problems or troubles or the promotion of industry or trade.
 28. To subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for and exhibition, subject to the provisions of Section 293 of the Act.
 29. Subject to the provisions of the Gift Tax Act, 1951 and the Statutory amendments thereof, the Company has power to make and receive gifts either in cash or other moveable or immovable properties.
 30. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefits of, and give, or procure the giving of donations, gratuities, pension, allowances or emoluments to any person who are or were at any time in the employment or service of the Company or is allied to or associated with the company or with any such subsidiary Company or who are or were the company or with any such subsidiary company or who are or were at any time Directors or offices of the company as aforesaid and the wives, widows, families and dependants of any such persons and also establish and subscribe to any Institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interest 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 persons as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.
 31. To distribute among the members in specie or otherwise any property of the Company, or any proceeds of sale or disposal of any property of the company, in the event of its winding up but so that no distribution amounting to a reduction

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For B. P. CAPITAL LIMITED

L. P. Solhi
Company Secretary

of capital be made except with the sanction (if any) for the time being required by law.

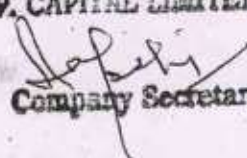
32. To do all such other things as may be deemed incidental or conducive to the attainment of the main objects or any of them.

(C) THE OTHER OBJECTS ARE :-

1. To carry on, in any mode, the business of store-keepers in all its branches and in particular to buy, sell, and deal in goods, stores, consumable articles, chattels and effects of all kinds, both wholesale or retail.
2. To carry on business as importers and exporters of goods or merchandise of any description or to act as shippers, commission agents, advertising agents, travelling agents, transport agents, forwarding and clearing agents, brokers, estate agents and hardware merchants.
3. To carry on the business of manufacturers and dealers of automobile parts, accessories, ancillaries, stores and spares and to engineer, develop, design assemble, manufacture, produce, import, and export, buy, sell, and otherwise deal in Tractors, Cars, Motorbikes, Cycles, Mopeds, petroleum and petroleum products, glass and glass products, Industrial, mining, agricultural and such other machines and all types of tools, plants, equipments, and such other machines and all types of tools, plants, equipments, instruments, appliances and hardware of all kinds, general fittings, accessories and appliances of all description made of metal, alloy, glass, synthetic and such other fibers, chemical and PVC compounds, plastics or any such other material related thereto.
4. To carry on the business of electrical engineers, electricians, engineers, contractors, manufacturers, contractors, suppliers and dealers in electrical and such other appliances, cables, wire-lines, dry-cells, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity for the purpose of light, heat motive power and for all other such purposes for which electrical energy can be employed and to manufacture, and deal in all apparatuses and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, including in the terms of all power that may be directly or indirectly, derived herefrom or may be incidentally hereinafter discovered in dealing with electricity.
5. To manufacture and/or produce and/or otherwise engage in the manufacture or production of or dealing in electrical kilowatt hourmeters, magnets, electromagnets, power cables, industrial jewels, ammeters, voltmeters and such other types of measure instruments, electrical or non-electrical, die castings, screws, nuts, and bolts, transformers of all types, circuit-breakers, punched card machines, computers and calculators and their accessories, hoists, elevators, trolleys and coaches, winches, power generators, magnetic separators, winders, air compressors, welders fans of all types, switches and motors of all types, drills, electric grinders, air-conditioners, refrigerators, washing machines, television and wireless apparatus, such as radio receivers and transmitters, electronic instruments, videos, transistors and allied items, watches and clocks, cameras and any house-hold appliances and any equipment used in the generation, transmission and receiving of sound, light and electrical impulses, and components or parts thereof.
6. To carry on the business as mechanical engineers, machinists, fitters, millwrights, founders, wire drawers, tube metallurgist, saddlers, galvanizers, japanners, annealers, enamellers, electroplaters and painters.

6 **CERTIFIED TRUE COPY**

For B. P. CAPITAL LIMITED


Company Secretary

7. To carry on a general business of providing comparative information about the characteristics, interest or such other attributes of individuals, communities, organisations, countries or such other social units and of any articles or commodities or economic trends or persons whatsoever, to design, invest, prepare, own, make and on lease, sell or otherwise dispose of and generally to deal in and with computers, data processing machines, tapes, cards, memory equipment or any other such equipment and materials of every kind and description useful in connection with the business, to license or otherwise authorise others to engage in the foregoing, and to engage in general research and development in areas related to or involving the foregoing.
8. To grow, take on lease, acquire, develop, deal in plantations and to process in all aspects, timber wood, plywood and all kinds of wood and to make products where wood is constituent part and to design, develop, fabricate any products involving the use of wood.
9. To produce, manufacture, use, or otherwise acquire, sell, distribute, deal in and dispose of, alkalies and acids, gases, compounds, fertilizers, chemical and chemical products of every nature and description and compounds, intermediates, derivatives and by-products thereof and products to be made therefrom (hereinafter for convenience referred to generally as, chemicals and products) including specifically, but without limiting the generality of the foregoing calcium carbide, calcium cyanamide, vat, solubilised vat, azoic salts, naphthols, all types of floatation reagents, wetting agents, insecticides and fumigants, plastics and resins, dyestuffs, explosives, catalytic agents, foods, direct colours, basic and rapid fast colours, pigments, drugs, biologicals, pharmaceuticals, serums, vitamin products, hormones, sutures, ligatures, drugs for disease or disabilities, in men or animals, and products derived from phosphate mines, limestones, quarries, bauxite-mines, petroleum, natural gas and such other natural deposits useful or suitable in the manufacture of chemicals and chemical products as hereinabove defined.
10. To manufacture, produce, refine, prepare, store, sell and to trade and deal in petroleum and all kinds of mineral oils, all products and by-products thereof such as wax, paraffin, soap, paint varnish, lubricants, illumination and butter substitutes, oil cloth, candles, glycerene, steaming and in connection therewith to acquire, construct, repair, factories, oil wells, derricks, distilleries, ghanies, rotaries, expellers, mechanical or hydraulic press.
11. To carry on business of manufacturers and dealers, importers and exporters of natural and synthetic resins, moulding powders, adhesives and cements, oil paints, distempers, cellular paints, colours, varnishes, enamels, gold and silver leaf enamels, spirits, tobacco, cigars, snuff, soap, cosmetics, perfumes, medicines, drugs, dyes, fats, waxes hides, skins and leather and such other allied articles thereof.
12. To carry on development and research work and to manufacture, process, import, export, buy, sell, and deal in petroleum, coke, calcined, coke and coaltar, anthracite coal and to draw out, manufacture and deal in coaltar, carbon products and such other by-products as may be possible and to utilise waste gases for industrial uses and purposes.

13. To engineer, develop, design, assemble, manufacture, produce, import, export, buy, sell, operate, run, let on hire and otherwise deal in :
- (a) all kinds of earth moving and agricultural machines, petrol and diesel engines, tools, plants, tractors, equipments, spares, appliances, impliments, accessories, mobile or otherwise;
 - (b) heavy vehicles and machines for agricultural and land reclamation, drainage, irrigation, water works, engineering, forest clearing, pumping and such other purposes of all types;
 - (c) spraying machines, vehicles and equipments whether mobile or otherwise;
 - (d) mobile workshops and garage equipments for repair and service machinery;
 - (e) tubewells, pumps, floating or otherwise, motors and irrigation machinery;
 - (f) transportation equipments for movements of its products or stores, machines or personnel and as general purpose freight carriers;
14. To undertake the business of distribution and application of chemicals, fertilizers and pesticides, aerial or otherwise and to maintain and run vehicles, aeroplanes and equipments for spraying and to run the said vehicles and aeroplanes for hire and as passenger carrying crafts also.
15. (a) To construct a cinematography theatre and such other building and works and conveniences, for said purpose thereof and to manage, maintain and carry on the said theatre and to let out other such buildings when so erected or constructed.
- (b) To carry on the business as proprietors and managers of theatres (cinemas, picture places and concert halls) and to provide for the production, representation and performance (whether by mechanical means or otherwise) of operas, stage plays, operators, burlesques, vaudevilles, revues, ballets, pantomimes, spectacular pieces, promenade, and such other concerts, musical and dramatic performance and entertainments of all types.
- (c) To carry on the business of restaurant keepers, wine, and spirit merchants, licensed victuallers, theatrical agents, box office keepers, dramatic and musical literature publisher and printers.
- (d) To manufacture films and such other appliances and machines in connection with mechanical reproduction or transmission of pictures, movements, music and sounds and to organise and conduct theatrical production and entertainment of all kinds.
- (e) To enter into agreements with author or other persons, for the dramatic or other rights of operas, plays, films, operatus burlesque, vaudevills, revues, ballet, pantomimes, spectacular pieces, musical compositions and such other dramatic and musical performances and entertainments or for, the representation thereof in India and elsewhere, as well as of foreign rights and to enter into agreements of all kinds with artists and such other persons related thereto.

Safely
Secretary

16. To carry on business as tourists, agents and contractors and to facilitate travelling and to provide for tourists and travellers and promote the provision of conveniences of all kinds in the ways of through tickets, circular tickets, sleeping cars or berths, reserved places, hotel and lodging accommodation, guides, safe deposits, inquiry bureaux, libraries, lavatories, reading room, baggage transport and otherwise.
17. To carry on the business of hotel, restaurant, cafe, tavern, beer house, restaurant room, boarding and lodging house keepers and beer merchants, maltsters, manufacturers of aerated minerals and artificial waters and such other drinks purveyors, caterers, for public amusements general coach, cab, carriage and motor-car proprietors, livery stable and garage keepers, importers and brokers of food, live and dead stock, hairdressers, perfumers, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries, grounds and places of amusements and recreation, sport, entertainment and instruction of all kinds tobacco and cigar merchants, agents for railways road, air and shipping companies and carriers, theatrical and opera-box office proprietors and general agents and to provide services and facilities of all kinds on commercial basis that may be required for the tourist and entertainment industry.
18. To promote, establish, acquire and run or otherwise carry on the business of any plastic or rubber industry or business of manufacture of materials for use in such industries or business such as wax, paper, bakelite, plywood, celluloid, products, chemicals of all sorts and such other articles or things and similar or allied products, or process thereof.
19. To carry on business of processors, combers, spinners, weavers, knitters, manufacturers, dyers, bleachers, finishers, laminators, balers and pressers of any fibrous or textile material whether an agricultural or animal or natural products or its by-products or chemical or synthetic fibre and more specially jute, hemp, silk, cotton, wool, mesta, nylon, terene, terylene, staple fibre or such other synthetic fibre and to manufacture and produce from such raw material or textile material and to carry on the business of buyers, sellers and dealers of all such raw or processed or semi-processed material and to transact all manufacturing, cutting and preparing, process and mercantile business that may be beneficial to the said business.
20. To carry on the businesses of transport, cartage and haulage contractors, garage proprietors, owners and charters of road vehicles, aircrafts, ships, tugs, barges, and boats of every description, lightermen, carriers of goods and passengers by road, rail, water or air, carmen, cartage contractors, stevedores, wharfingers, cargo superintendents, packers, haulers, warehousemen, store-keepers, and jobmasters.
21. To carry on the business of farming, horticulture, floriculture, sericulture, dairies, cultivators, of all kinds of foodgrains, seeds, fruits, proprietors of orchards and traders, exporters, dealers, and sellers of the products of farming, dairy, horticulture, floriculture, sericulture and pisciculture and fishing and manufacturers of drinks, alcoholic or otherwise, including beverages produced from such products or otherwise, to carry on the business of cultivators, growers, manufacturers, millers, grinders, rollers, processors, cold stores, canners and preservers and dealers of food grains and such other agricultural, dairy, horticultural and poultry products, fruits, vegetables, herbs, medicines flowers, drinks, fluids, and other fresh and preservable products and to extract

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9

For & D. CAPTIVE STATES

Joshi
Company Secretary

bye-products and derivatives whether edibles, pharmaceutical medicines or any such other kind or nature whatever and food preparations of every kind and description and generally the business or manufacture of and trading in preserved, dehydrated, canned or converted agricultural products, fruits and vegetables, foods, dairy and poultry products and articles and such other derivatives, of all kinds and descriptions and to set up and run machinery for processing and preserving the same.

22. To establish experimental farms and research stations anywhere in India for conducting experiments, tests and research for developing, better qualities of foodgrains and agricultural products and for developing milk strain in cattle by cross breeding or otherwise and increasing eggs laying capacity in poultry and also for finding other such ways and means of improving other such agricultural crops, produce, seeds, fodder crops and cattle feed of all kinds.
23. To manufacture, process, chemically, electrically or by any other such means refine, extract, hydrolize, manipulate, mix, deodries, grind, bleach, hydrogenate, buy, sell, import, export, produce or otherwise deal in seeds and agricultural products, food products, dietic products and preparations of patent drugs and proprietary articles of all kinds, whether basic or derived and in all forms and in particular protein foods of all kinds and all other such ingredients thereof.
24. To buy, sell deal in shares and securities, foreign exchange, gold, silver cotton, jute, hessian, oil, oils-seeds and hold them as permitted under the law, from time to time, in force.
25. To organise, run, maintain operate, promote the business of interior decorators, furniture and carpet designers and manufacturers, boutiques, operators of fashion centres, fashion shows and to make, acquire, deal in any way in handicrafts, objects of art, precious stones, jewellery, whether artificial or otherwise and articles wherein precious metals or precious stones may be used, in textile fabrics and to manufacture and deal in any products as are dealt in by boutiques, fashion shows and interior decorators.
26. To establish, provide, maintain and conduct research and such other laboratories, training colleges, schools and such other institutions for the training, education and instruction of students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith.
27. To be interested to promote or undertake the formation and establishment and to take hold and dispose of shares in such organisations, institutions, business or companies whether industrial, hoteliers, restaurants, agricultural, trading, manufacturing or otherwise as may be considered to be conductive to the profit and interest of the company and also to acquire, promote, aid, foster, subsidise or acquire interests in any such industry or undertaking.
28. To acquire from or sell to any person, firm or body corporate or unincorporate, whether in India or elsewhere technical and managerial information, know-how, processes, engineering, manufacturing, operating and commercial data plans, layouts and blue prints useful for the design, erection and operation of any plant or process of manufacture and to acquire and grant or license or such other rights and benefits in the forgoing matters and things and to render any kind of management and consultancy services.

29. To carry on business as general, commercial, colour, craft and graphers, photographers, engravers, diemakers, publishers of newspapers, books, magazines, art and musical production, plan and chart printers, press and advertising agents, contractors, ink, die and colour manufacturers, manufacturers and dealers in containers and components and dealers in printing machines, type and all printers supplies, book binders and stationers and dealers in all kinds of supplies and equipment for mercantile and such other uses thereof.
30. To carry on the business of, manufacturers of and dealers in all kinds of classes of paper and pulp such as sulphate and sulphate wood pulp, mechanical pulp and soda pulp and paper such as transparent, vellum, writing, printing glazed, absorbent, news printing, wrapping, tissue, cover, blotting, filter, bank or bond, badami, brown, buff or coloured, lined, azure laid, grass or waterproof, hand made parchment, drawing, crafts, carbon, envelope, and box and straw duplex and triplex boards and all kinds of articles in the manufacture of which in any form pulp, paper or board is used and also to deal in or manufacture artificial leather of all varieties, grades and colour.
31. To acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in the Republic of India or elsewhere any debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any Government, sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, whether at home or abroad, to acquire any such shares, stocks, debentures, debenture stocks, obligations or securities by original subscription, tender, purchase, exchange or otherwise and subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof, of issue shares, debenture stocks, bonds, obligation and securities of all kinds and to frame, constitute and secure the same, as may seem expedient, with full power to make the same transferable by delivery or by instrument of transfer or otherwise and either perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the undertaking of the company, or upon any specific property and rights, present and future of the company (including, if thought fit, uncalled capital) or otherwise however; to export, import, buy, sell, barter, exchange, pledge, make advance upon, invest in and otherwise deal in gold, silver, bullion, stocks, shares, securities of all kinds and description.
32. To secure sound investments of foreign capital in Indian undertakings and enterprises and Indian Capital in foreign undertakings and enterprises.
33. To carry on the profession of consultants on management, employment, engineering industry and technical matters to industry and business and to act as employment agents.
34. To carry on the business as manufacturers of or dealers in glass products such as sheet and plate glass, optical glass, glass wool, laboratory ware and Thermometers.
35. To carry on the business as manufacturer of, agents or dealers in textiles and grains such as man-made fibres, cotton, silk, jute, woollen, synthetics foodgrains and products thereof, oils of all kinds, seeds and pulses.
36. To undertake and transact all kinds of agency business and to carry on and promote any business, commercial or otherwise, under sound principles and/or to act as distributors, agents, underwriters, brokers, estate agents, middlemen, contract man, representation and indenting agents on commission, allowance, as may be deemed fit in all commodities, merchandise and such other allied articles/lines of business.

Rafiqi

37. To undertake, manage, finance or otherwise carry on either individually or in association in any manner with any other person or Government authority, programme of Rural Development in India including any programme for promoting the social and economic welfare of, or the uplift of the public in any rural area, and without prejudice to the generality of the foregoing to subscribe, donate, establish, provide, maintain, conduct, subsidise, undertaken, associate with carry on and promote studies, research, experimental work and application of technology, in any field of human endeavour, by establishing, endowing or assisting workshops, laboratories, schools, hospitals, first-aid centres and other technical, scientific, agricultural or any other institutions and bodies for the development of education, medicine, human welfare, agriculture, horticulture, animal husbandry, dairy products, cottage, small-scale and any other industry and 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 Central or State Government or any Public institution or Trusts of Funds recognised or approved by the Central or State Government or established under any law for the time being in force.
38. To undertake, carry out, promote and sponsor or associate with or assist any activity for the promotion and growth of 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 Public or any section of the public 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 or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute studies or academic pursuits or their researches and for establishing, conducting or assisting any institution fund, trust, person or Government authority having any one of the aforesaid objects as one of the 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.
39. To instal the Electric furnaces for melting steel scrap and for producing steel castings and for re-rolling mild steel sections.
40. To manufacture steel castings of all kinds such as used for Textile Machine parts, Railways, Tramway, Motor parts, Tractors, Sugar Industry and Cement industry machinery parts.
41. To manufacture bolts, nuts, buckets, kerais, gate channels and to carry on the business of fabrication of steel and its by products.
42. To weld steel tubes and boring of different steel and galvanising iron sections.
43. To manufacture utensils and such other goods of all kinds of brass, bronze, copper and other metals and alloys.
44. To carry on business of importing and exporting machinery, plants tools, implements, metal goods, hardware and plumbing material and to sell, let out the otherwise deal in such imported goods or articles.

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For A. P. CAPITAL LIMITED

[Signature]
Company Secretary

45. To carry on the business as financiers (not amounting to banking business within the meaning of Banking Regulations Act, 1949) by way of loaning, lending, and advancing money, to industrials, individuals, commercials and other enterprises.
 46. To carry on the business of mechanical fitters, wire drawers, galvanizer, japaneers, annealers, enamellers and packing case makers.
 47. To carry on the business of a leasing and hire purchase company and to acquire, to provide on lease or to be provided on hire purchase basis all types of industrial and offices plants, equipments, machinery, vehicles, buildings and real estate, required for manufacturing, processing, transportation and trading business and other commercial and service business.
 48. To build, construct, establish, own, purchase, sell, take on lease or exchange or otherwise acquire, hold, maintain and manage industrial, commercial or residential buildings, apartment houses, hotels, motels, hostels, restaurants, factory premises godowns, golas, warehouses, flats, hostels, boarding houses, clubs, pleasure grounds and amusement parks, theatres, cinemas or such other show houses, meeting or lecture halls, libraries, dharamshalas and sarais, health resorts and sanatoriums, gardens, swimming pools and baths, huts Bazar and markets, melas and exhibition and to let, sublet, give on lease or otherwise to permit use and occupation of the same for rent or hire charges and to provide for the tenants and occupiers thereof all or any of the conveniences commonly provided in residential, commercial and industrial quarters.
 49. To carry on and undertake the business of leasing, hire purchase, chartering, renting and to finance lease operations of all kinds and as such to give on lease all kinds of equipments, plant, machinery, vehicles, household goods, land, building and real estate consumer and capital goods, plantations, agricultural produces, aircrafts, ships, electrical and electronic equipments, industrial goods, moveable and immoveable properties, rights, claims and other interests there in domestic market and/or international market.
 50. To carry on the business of investments and to buy, underwrite, invest in, acquire, hold and deal in shares, stocks, debenture-stock, bonds, obligations and securities of any kind issued or guaranteed by any company constituted or carrying on business in India, or elsewhere and debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any Government, central or state dominions, sovereign rulers, commissioner, public body or authority, supreme, municipal local or otherwise firm or person whether in India or elsewhere.
 51. To lend and finance to any persons, companies, corporations, firms or institutions by way of lending and advancing money and upon such terms and conditions as the company may think fit and to guarantee or become surities for the performance of any agreement or contract entered into any enterprises, with any financial institutions, banks, or other parties for obtaining finance whether for long term capital, working capital or for any deffered payment finance but the company shall not carry on the Banking business within the meaning of Banking Regulation Act, 1949.
 52. To provide financial assistance and to act as financial consultants.
- IV. The Liability of the members is Limited.
- V. The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each.

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13

For B. P. CAPITAL LIMITED

Joshi
Company Secretary

We, the several persons, whose names and addresses are subscribed below are desirous of being formed into a Company in pursuance of this MEMORANDUM OF ASSOCIATION, and we respectively agree to take the number of shares in the Capital of the Company, set opposite our respective names :-

S. No.	Name, Description Occupation and address of subscribers	Number of Equity Shares taken by each subscribers	Signature of Subscribers	Signature of Witness with address and occupation
1.	Mr. Praveen Kumar Jain S/o Late B. L. Jain 741-B, Gali Arya Samaj, Gandhi Nagar, Delhi-31 (Business)	100 (One Hundred Equity)	Sd/-	I witness the signatures of above subscribers who have signed in my presence Sd/- (Nand Sardana) S/o Shri J. K. Sardana R/o A-370, Kalkaji, New Delhi-110019 Chartered Accountant M. No. 88841
2.	Mr. Chandresh Kumar Jain S/o Late B. L. Jain 741-B, Gali Arya Samaj, Gandhi Nagar, Delhi-31 (Business)	100 (One Hundred Equity)	Sd/-	
3.	Mr. Bijoy Raj Choudhury S/o Sri Bachh Raj Choudhury 134/1, M. G. Road, Calcutta-7 Business	100 (One Hundred Equity)	Sd/-	
4.	Bhikam Chand Singhi S/o Sri Malchand Singhi 23/24, R.M. Lane, Howrah-I Business	100 (One Hundred Equity)	Sd/-	
5.	Kamal Singh Bhutoria S/o Sh. R. S. Bhutoria M-64, Greater Kailash-II Market, New Delhi-110048 Chartered Accountant	100 (One Hundred Equity)	Sd/-	
6.	Bimal Kumar Surana S/o Pusraj Surana 5933, Basti Harful Singh Delhi-6 Service	100 (One Hundred Equity)	Sd/-	
7.	Ashok Kumar Giria S/o Fateh Chand Giria 741-B, Gali Arya Samaj, Gandhi Nagar, Delhi-31. (Business)	100 (One Hundred Equity)	Sd/-	
	Total	700 (Seven Hundred)		

Place : Delhi

Dated : 31.01.94

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14

For B. P. CAPITAL LIMITED

[Signature]
Company Secretary

THE COMPANIES ACT, 1956
ARTICLES OF ASSOCIATION
OF
B. P. CAPITAL LIMITED

Table 'A' not to apply 1.
but company to be
governed by these
Articles.

The regulations contained in table A in the first Schedule to the Companies Act 1956, shall not apply to this company, but the regulations for the management of the Company and for the observance by the members thereof and their representatives shall, subject to any exercise of the Statutory powers of the company in reference to the repeal or alteration of, or addition to its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles, unless the same are repugnant or contrary to the provisions of the Companies Act, 1956, and the said Table 'A'.

INTERPRETATION

"Interpretation
clause".

2.

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

"The Act" or "the
said Act"

"The Act" or "the said Act" means "The Companies Act, 1956" as amended up-to-date or other Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to the Companies.

"The Board" or "the
Board of Directors,"

"The Board" or "The Board of Directors" means a meeting of the Directors duly called and constituted, or, as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a Resolution by circulation in accordance with these Articles.

"The Company" or
"This Company."

"The Company" or "This Company" means **B. P. CAPITAL LIMITED**

"Directors."

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

"Dividend."

"Dividend" includes bonus.

"Gender"

Words importing the masculine gender also include feminine gender.

"Months"

"Month" means a Calendar month.

"Office"

"Office" means the Registered Office for time being of the Company.

"Persons"

"Persons" includes body corporate as well as individuals.

"Plural Number"

Words importing the plural number also include singular number.

"Singular Number"

Words importing the singular number also include the plural number.

"These Presents" or
"Regulations."

"These presents" or "Regulations" means these Articles of Association as originally framed or altered from time to time and includes the Memorandum where context so requires.

Managing Director "Managing Director" means the Managing Director for the time being of the Company.

"Seal" "Seal" means the Common Seal for the time being of the Company.

"In writing" and "Written" "In Writing" and "Written" shall include printing and lithography and any other mode or modes of representing or reproducing words in visible form.

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

Marginal Notes. The Marginal notes hereto shall not affect the constructions hereof.

Copies of Memorandum & Articles of Association to be given to members. 3. Copies of the Memorandum and Articles of Association and other documents mentioned in Section 39 of the Act shall be furnished by the Company to a member at his request within seven days of the requisition subject to the payment of a fee of Rupee one.

COMMENCEMENT OF BUSINESS

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

Capital 5. The Authorised Share Capital of the Company shall be such as given in Clause V of the Memorandum of Association or altered, from time to time, thereat payable in the manner as may be determined by the Directors, with power to increase, reduce, sub-divide or to repay the same or to divide the same into several classes and to attach thereto any rights and to consolidate or sub-divide or re-organise the shares and subject to the provisions of the Act, to vary such rights as may be determined in accordance with the regulations of the Company.

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

Shares under the Directors' Control. 7. Subject to the provisions of the Act and of these Articles, the shares in the capital of the company shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par (subject to compliance with the provisions of Section 79 of the Act) or at a discount and at such time as they may from time to time think fit and proper, and with full power to give any person the option to be allotted shares of the Company either at par or at premium, or subject as aforesaid, at a discount such option being exercisable at such times and for such consideration as the Directors think fit provided that the option or right for the allotment of shares shall

not be given to any person or persons without the sanction of the Company in General Meeting.

Power of General Meeting to offer shares to such persons as the Company may resolve.

8. In addition to and without derogating from the power for the purpose conferred on the Directors under Article 7, the Company in General Meeting may by special resolution determine to issue further shares out of the authorised but unissued capital of the Company and may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such 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 as such general meeting shall determine and with full power to give any person (whether a member or holder of debentures of the company or not) the option to be allotted shares of any class of the Company either at a premium, or at par or, (subject to compliance with the provisions of Section 79 of Act) at a discount, such option being exercisable at such times and for such considerations as may be directed by such general meeting or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares, subject to any direction given by the Company in General Meeting as aforesaid and the provisions of the Article 68 hereof shall apply to any issue of new shares.

Directors may allot shares as fully paid up.

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

Shares to be numbered progressively,

10. The shares in the Capital of the company shall be numbered progressively according to their denomination and except in the manner hereinafter mentioned, no share shall be sub-divided.

Acceptance of shares.

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

Deposit & calls etc. to be debt payable immediately.

12. 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 at call or otherwise, in

respect of any shares allotted by them, shall, immediately on the insertion of the name of the allottee in the Register of Members as the 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.

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

Company not bound to recognise any interest in shares other than that of the registered holders.

14. Except when required by law or ordered by Court of competent jurisdiction, the Company shall not be bound to recognise any person holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share, or (except only as by these Articles or as ordered by a Court of competent jurisdiction or by law otherwise provided) any order of the rights in respect of any share except an absolute right to the entity thereof in the registered holder.

UNDERWRITING AND BROKERAGE

Commission for placing shares, debentures.

15. The Company may subject to the provisions of Section 76 and other applicable provisions (if any) of the Act, at the time of public issue pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscription whether absolutely or conditionally for any shares in or debentures of the Company but so that the amount or rate of commission does not exceed in the case of shares 5% of the price at which the shares are issued and in the case of debentures 2.5% of the price at which the debentures are issued. The commission may be satisfied by the payment in cash or the allotment of fully or partly paid up shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

CERTIFICATES

Certificates of shares.

16. The certificates of title to the shares shall be issued under the Seal of the Company which shall be affixed in the presence of and signed by (i) two Directors (provided that if the composition of the Board permits, one of the aforesaid two Directors shall be a person other than the Managing or wholetime Director) and (ii) the Secretary or some other person appointed by the Board for the purpose. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued indicating the date of issue. A Director may sign the share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. Provided always that notwithstanding anything contained in this Article the Certificate of the title to the shares may be executed and issued in accordance with such other provisions of

the Act, or the rules made thereunder, as may be in force for the time being and from time to time.

Member's right to Certificate 17. Every member or allottee of share(s) shall be entitled without payment to receive certificate in marketable lots under the Seal of the Company for all the shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve, specifying the share or shares allotted to him and the amount paid thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board of Directors and on surrender to the company of its letter of allotment or of its fractional coupons of requisite value, save in case of issue against letters of acceptance or of renunciation or in case of issue of bonus shares. Provided that if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating evidence. If the Directors so approve and upon payment of such fee, if any, not exceeding Rupees Two per certificate as the Directors may, from time to time, determine in respect of each class of shares, a member shall be entitled to more than one certificate for shares of each class.

Limitation of time for issue of certificates. 18. The Company shall within three months after the allotment of any of its shares or debentures and within one month after the application for the registration of the transfer of any such shares or debentures deliver the certificates of all shares and debentures allotted or transferred unless the conditions of shares or debentures otherwise provided and the company shall otherwise comply with the requirements of Section 113 and other applicable provisions (if any) of the Act.

As to issue of new Certificates in place of the defaced, lost or destroyed. 19. (a) No Certificate(s) of any share or shares or debenture or debentures shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit worn out or rendered useless from any cause whatsoever, or where the pages on the reverse for recording transfers have been fully utilised, unless the certificates in lieu of which they are issued are surrendered to the Company provided the Company may charge such fee, if any, not exceeding Rupees two per certificate issued on splitting or consolidation of certificates or in replacement of certificates that are defaced or torn as the Board thinks fit. No duplicate certificate shall be issued in lieu of those that are lost or destroyed without the prior consent of the Board and without payment of such fee, if any, not exceeding Rupees two per certificate and on such reasonable terms, if any, as to evidence of such loss or destruction, and indemnity and the payment of out-of-pocket expenses incurred by the Company re-investigating evidence as the Board thinks fit. The Directors may in their discretion waive payment of such fee in the case of any certificate or certificates provided that no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised.

(b) The Company shall not charge any fee

(i) for registration of transfer of shares and debentures:

(ii) for subdivision and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and split, consolidation, renewal and Pucca Transfer Receipt into denomination corresponding to the market units of trading:

"Registered Owner" means a Depository whose name is entered as such in the records of the Company; and "Security" means such security as may be specified by SEBI from time to time.

(ii) **Dematerialisation of Securities**

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for issue in dematerialised form. The Company shall further be entitled to maintain a Register of Members with the details of members holding shares both in material and dematerialised form in any media as permitted by law including any form of electronic media.

(iii) **Issue of Securities and Option for Investors**

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities. If a person opts to hold the security with a depository, and on the receipt of the information, the depository shall enter in its record the name of the allottees as the beneficial owner of the security.

(iv) **Securities in Depository mode to be in Fungible Form**

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(v) **Rights of Depositories and Beneficial Owners**

- (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

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

(vi) Service of Documents

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

(vii) Transfer of Securities

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of depository.

(viii) Allotment of Securities dealt with a Depository

Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) Distinctive numbers of Securities held in a Depository

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

(x) Register and Index of Beneficial Owners

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a Register and Index of members and other security holders.

CALLS

20. The Board of Directors may from time to time (by resolution passed at the meeting of the Board and not by Resolution by circulation) but subject to the condition hereinafter mentioned, make such calls as they think fit, upon the members in respect of all monies unpaid on the shares held by them respectively (whether on account of the

nominal value of the shares or by way of premium) and which are 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 appointed by the Directors. A call may be made payable by instalments.

The call shall not exceed 1/4th of the nominal value of the share.

"Rider"

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

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

Notice of Call.

22. At least 30 days' notice of every call otherwise than on allotment shall be given specifying the time of payment, and if payable to any person other than the Company the name of the person to whom the call shall be paid, provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same.

Call to date from Resolution.

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

23(1) Call notice shall be sub-divided into smaller units when so required by the registered shareholders and duplicate call notices shall be issued at the request of the persons beneficially entitled on production of satisfactory evidence that they are so beneficially entitled.

23.(2) Payment of call moneys shall be accepted from the beneficial holders on production of sub-divided or duplicate call notices without insisting that the shares in respect of which these call monies are paid shall be transferred into the name of the beneficial holders.

Directors may extend time.

24. The Directors may from time to time, at their discretion extend the time for the payment of any call, and may extend such time as to all or any of the members who on account of their residences being 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.

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

25. If by the terms of issue of any share, any amount is made payable at any fixed time or by instalments at fixed times (whether on account of the nominal amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the 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 instalment accordingly.

When interest on call or instalment payable.

26. If the sum payable in respect of any allotment, call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which an allotment call shall have been made or the instalment shall be due shall pay interest on the same at such rate as the Directors

may determine 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.

26(A) The surrender of call money receipts shall be accepted when allotment letters are presented to the company to be exchanged for share certificates regardless of the persons in whose favour the receipts have been made out and the Board shall not require the surrender of any other receipts from the registered shareholder(s) of the issues of discharge or indemnity from him or them before issuing the share certificate(s).

Judgement decree or partial payment not to preclude forfeiture.

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

Proof on trial of suit for money due on shares.

28. Subject to the provisions of the Act and these Articles, on the trial or bearing 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 share money is sought to be recovered appears/entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the Minutes Book of the Company and that the notice of such call was duly posted to the member or his representative in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call and nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in anticipation of calls may carry interest.

29. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the moneys so paid 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 Company may at any time repay the amount so advanced either by agreement with the member or otherwise upon giving to such member three months notice in writing. No member paying any sum in advance shall be entitled to participate in profit or dividend or to voting rights in respect of the monies 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 may be given.

30. 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, and other monies remain unpaid or a judgement 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 remaining unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

- Terms of notice** 31. The notice shall name a day (not being less than 30 days from the date of service of notice) on or before which and the place or places on or at which such allotment call or instalment or such part thereof and other monies as aforesaid and such interest and expenses as aforesaid are to be paid, and if payable to any person other than the company, the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other than the Company) at the place appointed the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.
- In default of payment shares to be forfeited.** 32. If the requirement of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given, may at any time thereafter but before payment of all allotment money, calls or instalments, interest and expenses and other monies 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.
- Entry of forfeiture in register of members.** 33. When any share shall have been so forfeited, an entry of the forfeiture with the date thereof, shall be made in the Register of Members and notice of forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture but no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any entry as aforesaid.
- Forfeited shares to be property of the Company and may be sold etc.** 34. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted and or otherwise disposed of either to the original holder thereof, or to any other person upon such terms and in such manner as the Board shall think fit.
- Directors may annul forfeiture.** 35. The Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of annul the forfeiture upon such conditions as they think fit.
- Shareholders still liable to pay money owing at the time of forfeiture and interest.** 36. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the company all calls, instalments, interest expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as it were a new call made at the date of the forfeiture but shall not be under any obligation to do so .
- Effect of a forfeiture.** 37. The forfeiture of a shares shall involve extinction at the time of the forfeiture, of all interest in and all claims and demands against the company in respect of the shares and all other rights incidental to the shares, except only such of those rights as by these presents are expressly saved.

- Surrender of shares.
38. The Directors may subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering the share on such terms as he think fit.
- Company's lien on shares.
39. The Company shall have no lien on its fully paid shares. In the case of partly paid up shares the company shall have a first and paramount lien on such shares registered in the name of each member, whether solely or jointly with others and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and whether held solely or jointly with any other person, and whether their period for the payment, fulfilment or discharge thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 14 is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the company's lien, if any, on such shares.
- As to enforcement of lien by sale.
40. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manners 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 such shares shall have been served on such member or the person (if any) entitled by transmission to the shares and default have been made by him in payment, fulfilment or discharge of such debts, liabilities or engagements for 7 days after such notice.
- Application of proceeds of sale.
41. The net proceeds of any such sale after payment of the costs of the such sale shall be applied in or towards the satisfaction of such debts, liabilities or engagements of such member and the residue (if any), shall subject to a like lien for not presently payable, as existed upon the shares before the sales be paid to such member or the person (if any) entitled by transmission to the shares so sold.
- Certificate of forfeiture.
42. A certificate in writing under the hand of two Directors that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made 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.
- Title of purchaser and allottee of forfeited shares sold to exercise lien.
43. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some persons to execute any instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of members in respect of the shares sold and the Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition, thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in proceeding with reference to the forfeiture, sale, re-allotment or other disposal of the share and after his name has been entered in the Register of members in respect of such share, the validity of the sale shall not be impeached by any person.
- Cancellation of share certificate in respect of the share sold to exercise lien.
44. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares

shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

TRANSFER AND TRANSMISSION OF SHARES

- Register of Transfers.** 45. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.
- Register of renewed and Duplicate certificates.** 46. The Company shall keep a book to be called the "Register of Renewed and Duplicate Certificates" and therein shall be fairly and distinctly entered the particulars of the issue of renewed and duplicate certificate in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or rendered useless.
- Form of Transfer.** 47. The instrument of transfer of any share shall be in writing and all the provisions of Section 108 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.
- Application for transfer.** 48. (1) An application for registration of transfer of the shares in the Company may be made either by transferor or the transferee.
(2) Where the application is made by the transferor and related to partly paid shares the transfer shall not be registered unless the company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
(3) For the purpose of clause (2) above the notice to the transferee shall be deemed to have been duly given if it is despatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
- Transfer to be executed by the transferor and transferee.** 49. Every such instrument of transfer shall be signed 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.
- Transfer not to be registered except on production of instrument of transfer.** 50. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company within the prescribed period alongwith the certificate relating to the shares or if no such share certificate is in existence alongwith the letter of allotment of the shares. Provided that whereon an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit. Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
- Notice of transfer to registered holder** 50A. Before registering any transfer tendered for registration, the Company may, if it so thinks fit give, notice by letter in the ordinary course to the registered holder that such

transfer deed has been lodged and that unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the company within four weeks from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer.

Directors may refuse to register transfer.

51. The Board may, subject to the right of appeal conferred by section 111 of the Companies Act, 1956, decline to register:
- (a) the transfer of share not being a fully paid up share, to a person of whom they do not approve; or
 - (b) any transfer of share on which the company has a lien, provided that the registration of transfer shall not be refused on the ground of transferor being either alone or jointly with any person or person indebted to the company on any account except a lien.
 - (c) The company shall comply with provisions of Section 22 A of Securities Contracts (Regulations) Act, 1956, as regard to free transferability and registration of transfer of shares/debentures.

Notice of refusal to be given to transferor and transferee.

52. If the company refuses to register the transfer of any share or transmission of any right therein, the company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the company send notice of refusal to the transferee and transferor or the person giving intimation of the transmission as the case may be, and there upon the provisions of Section 111 of the Act or any statutory modification thereof for the time being in force shall apply.

Transfer by legal representative.

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

Custody of instrument of transfer.

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

Closure of transfer books.

55. The Directors shall have power, on giving not less than seven days previous notice by advertisement as required by Section 154 of the Act to close the transfer books of the Company, the Register of Members or the Register of Debenture-holders at such time or times and for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as may seem expedient to the Board.

Title of shares of deceased holder.

56. The executors or administrators or the holder of a Succession Certificate in respect of the estate of a deceased member (not being one or two or more joint holders) shall be the only persons recognised by the Company 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 unless such executors or administrators shall have first obtained Probate or Letters of Administration or Succession Certificate as the case

may be, from a 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 Letter of Administration or Succession Certificate and under the Provisions of Article 57, 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.

- Transmission clause.** 57. Subject to the provisions contained in Article 51 and 52 hereof, any person becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, upon producing proper evidence of the grant of Probate or Letters of Administration or Succession Certificate or such other evidence that he sustains the character in respect of which he proposes to act, with the consent of the Board (which it shall not be under any obligation to give), be registered as a member in respect of such shares, or may subject to the regulations as to transfer hereinbefore contained, transfer such shares. This article is herein referred to as the transmission clause.
- Power to refuse registration.** 58. Subject to provisions of the Act and these Articles, the Directors shall have the same right to refuse to register as a member a person entitled by transmission to any shares or his nominees as if he were the transferee named in an ordinary transfer presented for registration.
- Persons entitled may receive dividend without being registered as a member.** 59. A person entitled to a share by transmission shall, be subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the share.
- Board may require evidence of transmission.** 60. 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.
- Fee on transfer or transmission.** 61. The Company shall not charge any fee on registration of transfer or transmission.
- Company not liable for disregard of a notice prohibiting registration of transfer.** 62. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of share 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 rights, title or interest to or in the said share notwithstanding that the Company may have had notice of such equitable right, title or interest or may have received a notice prohibiting registration of such transfer and may have entered such notice or referred such notice 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.

CONVERSION OF SHARES INTO STOCK

- Conversion of Share into stock and reconversion.
- Transfer of stock.
- Rights of stock holders.
- Regulations to apply to stock.
- Share warrants
- Increase of Capital
- Right of Equity share holders to further issue of capital.
63. The Company by ordinary resolution in General meeting may:-
- (a) Convert any fully paid up shares into stock; and
 - (b) Convert any stock into paid up shares of any denomination.
64. The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may from time to time fix the minimum amount of stock transferable, so however, that such minimum shall not exceed the nominal amount of shares from which the stock arose.
65. The holders of stock shall according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose but no such privilege or advantage, (except as to dividends, participation in the profits of the Company and in the assets on winding up) shall be conferred by an amount of stocks which would not, if existing in shares, have conferred that privilege or advantage.
66. Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid up shares shall apply to stock and in words 'Shares' and 'Shareholders' in those regulations shall include 'Stock' and 'Stockholders', respectively.
- 66A. Subject to the provisions of sec. 114 & 115 of the Act and subject to any directions which may be given by the Company in General Meeting, the board may issue share-warrants in such manner and on such terms & conditions as the board may deem fit. In case of such issue Regulations 40 to 43 of table 'A' Schedule I of the Act, shall apply.
- ### INCREASE, REDUCTION AND ALTERATION OF CAPITAL
67. The Company may from time to time by special resolution in General Meeting increase its share capital by the creation and issue of new shares of such amount as it thinks expedient. Subject to the provisions of the Act, the shares shall be issued upon such terms and on conditions and with such rights and privileges annexed thereto as the General Meeting creating the same shall direct and if no direction be given, as the Directors shall determine. Such shares may be issued with a preferential or qualified right as to dividends, and in the distribution of assets of the Company, and with a right of voting at a General Meeting of the Company in conformity with Sections 87 & 88 of the Act. Whenever the capital of the Company has been increased under the provision of this Article, the Directors shall comply with the provisions of Section 97 of the Act.
68. (1) If the Company proposes to issue new share at any time after the expiry of two years from the date of formation of the Company or at any time after the expiry of one year from the date of allotment of shares in the Company made for the

first time (whichever is earlier), then such new shares shall be offered to the person who at the date of the offer are holders of the equity shares of the company, in proportion as nearly as circumstances admit to the capital paid up on those shares at that date and such offer shall be made in accordance with the provision of the section 81 of the Act. provided that notwithstanding anything hereinbefore contained the further shares aforesaid may be offered to any person, whether or not those persons include the persons who at the date of the offer, are holders of the equity shares of the Company in any manner whatsoever:-

- (a) If a special Resolution to that effect is passed by the Company in General Meeting or
 - (b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the Resolution moved in that General Meetings (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote, in person or where proxies are allowed, by proxy exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on the application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.
 - (c) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted, will be deemed to have been declined.
 - (d) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub-clause(c) hereof shall contain a statement of the right PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any persons in whose favour any member may renounce the shares offered to him.
 - (e) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he decline to accept the shares offered, the Board of Directors may dispose of them in such manner and to such person(s) as they may think, in their sole discretion fit.
- (2) Nothing in this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to the debentures issued or loans raised to convert such debentures or loans into shares in the Company or to subscribe for shares in the Company (whether such option is conferred in Article 79 or otherwise) provided that the terms of the issue of such debentures or such loans include a term providing for such option and such terms have been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or the raising issue of the debentures or the raising of the loan and also the same has either been approved by the Central Government before the issue of the debentures or the raising of the loan or is in conformity with the rules, if any, made by the Government in this behalf.

- Increased capital to be considered same as original Capital.
69. (1) Except so far as otherwise provided by the conditions of issue of shares or by presents, any capital raised by the creation of new shares or by presents, shall be considered part of the original capital and shall be Subject to the provisions hereincontained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.
- Redeemable Preference shares.
- (2) Subject to the provions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are, or, at the option of the Company, liable to be redeemed, and the redemption may, Subject to the provisions of Article 5 thereof, be effected in the manner and subject to the terms and provision of its issue.
- Provisions to apply on issue of redeemable Preference Shares.
- (3) On the issue of Redeemable Preference Shares under the provisions of clause (2) hereof, the following provisions shall take effect:-
- (a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
 - (b) no such shares shall be redeemed unless they are fully paid;
 - (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's 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 the profits which would otherwise have been available for dividend by transfer to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply, as if, the capital Redemption Reserve Account were part of the paid up share capital of the Company.
- Restriction on purchase by the Company of its own shares.
70. (a) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 71 or in pursuance of Section 100 to 104 or Section 402 or other applicable provisions (if any) of the Act.
- (b) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act, the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, provision of security or otherwise any financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.
- Reduction of Capital.
71. The Company may, subject to the provisions of Section 78, 80, 100 to 105 inclusive, of the Act, from time to time by special resolution reduce its share capital and any capital Redemption Reserve Account of Share Premium Account in any way authorised by

law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

Consolidation, division
and sub-division

72. The Company may in General Meeting alter the conditions of its Memorandum as follows :-

- (a) consolidate and divide all or any of the share capital into share of large amounts than its existing share.
- (b) sub-divide its share or any of them in shares of smaller amounts than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amounts, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
- (c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Issue of further
Pari Passu shares
not to effect the rights of
shares already issued.

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

MODIFICATION OF RIGHTS

Modification of rights of
any class of shares.

73. (A) If at any time the share capital is divided into different classes, the rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act, be modified, abridged, commuted, affected, abrogated or varied (whether or not the company is being wound up) with the consent in writing of the holders of not less than three fourth of

the issued shares of that class or with the sanction of special resolution passed at a separate meeting of the holders of the class of shares, and all the provisions herein-after contained as to General Meeting shall mutatis mutandis apply to every such Meetings.

JOINT HOLDERS

Joint holders

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

Joint and several liability

for all payments in

respect of shares.

(a) The Company shall not be bound to register more than three persons as the joint holders of any share.

(b) The Joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such shares.

Right of Survivor

(c) On the death of any such joint-holder 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 deem fit and nothing herein contained shall be taken to release the estate of deceased joint-holder from any liability in respect of the shares held by him jointly with any other person.

Receipt of first

efficient

(d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share may give effectual receipts for any dividends or other money payable in respect of such share.

Delivery of certificate

and giving notice to first

named holders.

(e) Only the person whose name stands first in the Register of Members as one of joint-holders of any share shall be entitled to delivery of the certificates relating such shares or to receive documents (which expression shall be deemed to include all documents referred to in Article-211) from the Company, and any documents served on or sent to such person shall be deemed service on all the joint-holders.

Votes of Joint holders.

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

Facility of nomination

74A. a.

Every holder of shares or debentures or fixed deposits of the Company will have freedom to nominate at any time a person to whom his shares/debentures/fixed deposits shall vest in the event of his/her death.

CONTRIBUTION DIFFERENCES

b. Where the shares/debentures/fixed deposits are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures or fixed deposits of the Company, as the case may be, shall vest in the event of death of all the joint holders.

c. Notwithstanding, anything contained in any other law for the time being in force, in respect of such shares or debentures or fixed deposits of the Company, where a nomination made in the prescribed purports to confer on any person the right to vest in the Shares or Debentures or fixed deposits of the Company, the nominee shall on the death of the holder of securities mentioned above, or as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or fixed deposits, or as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

- d. Where nominee is a minor it shall be lawful for the holder of the shares or holder of debentures/fixed deposits to make the nomination to appoint in the prescribed manner any persons to become entitled to shares in or debentures or Deposits of the company in the event of his death during the minority.
- e. Any person who becomes nominee as aforesaid upon the production such evidence as may be required by the Board of Directors of the company, elect either to be registered as holder of the shares or debenture or Deposits or to make such transfer of the shares or debentures as the deceased shareholder or debenture holder could have made.
- f. The Board of Directors of the company shall in either case have the same right to decline or to suspend registration as it would have had if the deceased shareholder or debenture holder had transferred the shares or debentures before his death."

BORROWING POWERS

Powers to borrow.

- 75. Subject to the provisions of Section 292 and 293 of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the powers, from time to time at their discretion, by a Resolution passed at a meeting of the Board and not by resolution by circulation, to accept deposits from members, either in advance calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums moneys for the purposes of the Company provided that the total amount borrowed at any time together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Banker's in the ordinary course of business) shall not, without the consent of the Company in General Meeting, exceed the aggregate of the paid-up capital of the company and its free reserves that is to say reserves not set apart for any specific purpose. Such consent shall be obtained by an ordinary resolution which shall provide for the total amount up to which moneys may be borrowed by the Board. The expression "Temporary Loans" in this article means loans repayable on demand or within six months from the date of the loan, such as short term cash credit arrangements, discounting

of bills and the issue of other short term loans of seasonal character but does not include loans raised for the purpose of financing expenditure of a capital nature.

- Conditions on which money may be borrowed. 76. Subject to the provisions of the Act and these Articles, the Directors may, by resolution passed at the meeting of the Board and not by resolution by circulation, 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 bonds, debentures or debenture-stock, or other securities issued or to be issued by the company shall be under 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.
- Bonds, debentures etc. to be subject to control of Directors. 77. 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.
- Transfer of debentures, bonds etc. 77A. Save as provided in Section 108 of the Act, no transfer of debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of debentures, bonds. If the Board refuses to register the transfer which was lodged with the Company. Sent to the transferee and to transferor notice of the refusal.
- Securities may be assignable free from equities. 78. 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.
- Conditions on which Bonds, Debentures etc. may be issued. 79. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meeting, appointment of Directors and otherwise. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- Mortgage to uncalled capital. 80. If any uncalled capital of the Company is included in or charged by way of any mortgage or other security by the Directors, the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
- Indemnity to be given. 81. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security of, on, over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or any other person so becoming liable as aforesaid from any loss in respect of such liability.

Register of mortgage etc. to be kept.

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

GENERAL MEETING

Statutory meeting.

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

Annual General Meetings.

84. (1) The Company shall in addition to any other meetings, hold a General Meeting (herein called an "Annual General Meeting") at the intervals and in accordance with the provisions herein specified. The company shall hold its first Annual General Meeting within Eighteen months from the date of incorporation of the Company and if such General Meeting is held within such period it shall not be necessary for the Company to hold any Annual General Meeting in the year of its incorporation or in the following years, but subject to the aforesaid provisions Annual Meeting shall be so held at least once in every calender year and within six months after the expiry of each financial year and that not more than fifteen months shall elapse between the date of one Annual General Meeting and the next provided, however, that if the Registrar of the Companies shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time allowed by the Registrar of Companies.
- (2) Every Annual General Meeting shall be called for at a time during business hours and on such day (not being a public holiday) as the Directors may from time to time determine and it shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated. The company may by a resolution passed at one Annual General Meeting, fix the time for its subsequent annual General Meeting. The notice calling the meeting shall specify it as the Annual General Meeting.

Extraordinary General Meeting.

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

Directors may call Extraordinary General Meeting.

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

Calling of Extraordinary General Meeting on requisition.

87. (1) The Board of Directors shall, on a requisition of such number of members of the Company as hold, in regard to any matter at the date of deposit of the

Section 169 of the Act (including the provisions below) shall be applicable.

- (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 of like form, each signed by one or more requisitionists.
- (4) Where two or more distinct matters are specified in the requisition, the provisions of clause (1) above shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.
- (5) If the Board of Directors does not, within twenty-one-days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of these matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called by the requisitioned themselves or by such of the requisitionists as represent either a majority in value of paid up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Clause (1) above, whichever is less.
- (6) A meeting called under Clause (5) above by the requisitionists or any of them shall be called in the same manner similar to that in which meeting are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.
- (7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Notice of meeting.

- 88. (1) A General Meeting of the Company may be called by giving not less than twenty one day's notice in writing.
- (2) However a General Meeting may be called after giving shorter notice than twenty one days, if the consent is accorded thereto :-
 - (i) in the case of an Annual General Meeting by all the members entitled to vote thereat, and
 - (ii) in case of any other meeting by Members of the Company holding not less than 95 percent or such part of the paid up share capital of the Company as gives a right to vote at that meeting.

Contents of Notice.

- 89. (1) Every notice of a meeting of the Company shall specify the place, date and hour of the meeting, and shall contain a statement of the business to be transacted thereat.

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

Special Business.

90. (1) In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to:
- (i) the consideration of the Accounts, Balance Sheet and Profit and Loss Account and Reports of the Board of Directors and the Auditors thereon;
 - (ii) the declaration of dividend;
 - (iii) the appointment of Directors in the place of those retiring by rotation; and
 - (iv) the appointment of and the fixing of the remuneration of the Auditors.
- (2) In the case of any other meeting, all business shall be deemed special.
- (3) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest, if any, therein of every Director and the Manager, if any, Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects any other Company, the extent of the share-holding interest, if any, in that other Company of every Director and the Manager if any of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 20 per cent of paid-up share capital of that other Company.
- (4) Where any item of business to be transacted at the meeting of the Company consists of according to the approval the meeting of any documents, the time and place where the document can be inspected shall be specified in the explanatory statement.

Service of Notice.

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

Notice to be given to the Auditors.

92. Notice of every meeting of the Company and every other communication relating to any General Meeting of the Company which any member of the Company is entitled to

have sent to him, shall be given to the Auditor or Auditors for the time being of the Company, in the manner authorised by Section 53 of the Act, as in the case of any member or members of the Company.

- As to omission to give notice. 93. The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the Resolution passed thereat.
- Resolution requiring Special Notice. 94. (1) Where, by any provision contained in the Act or in these Articles Special Notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.
- (2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it give its members notice of the resolution in the same manner as is given notice of the meeting or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these Articles, not less than seven days before the meeting.

PROCEEDINGS AT GENERAL MEETINGS

- Quorum at General Meeting. 95. Five members entitled to vote and present in person shall be a quorum for General Meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the business.
- Proceedings when quorum not present. 96. If with in half an hour after the time appointed for the holding of a General Meeting a quorum be not present, the meeting, if convened on the requisition of shareholders, shall stand dissolved and in every other case shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders determine. If at such adjourned meeting a quorum be not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called.
- Business at adjourned meeting. 97. 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.
- Chairman 98. 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 minutes after the time appointed for holding such meeting or he has notified to the company of his absence, or is unwilling to act as Chairman of the meeting, the Directors present may elect one of their members to be the Chairman of the meeting and in default of their doing so, the members present shall forthwith choose one of their members to be the Chairman of the meeting.

Business confined to election of Chairman whilst Chair vacant.

99. (1) No business shall be discussed at any General Meeting except the election of Chairman whilst the Chair is vacant.
- (2) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles, The Chairman so elected on the show of hands will exercise all the powers of the Chairman under the Act, and these Articles.
- (3) If some other person is elected Chairman, as a result of the poll he shall be chairman for the rest of the meeting.

Chairman with consent may adjourn meeting.

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

Notice to be given where a meeting adjourned for thirty days or more.

101. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or the business to be transacted at an adjourned meeting.

What would be the evidence of the passing of resolution where poll not demanded.

102. At any General Meeting, a resolution put to the vote of the meeting shall, unless a poll is (before or on the declaration of the result of the voting on show of hands) demanded be decided on a show of hands and unless a poll is so demanded, a declaration by the Chairman that a resolution has 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.

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

Time and manner of taking poll.

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

or after the interval of adjournment or otherwise and the result of the poll shall be deemed to be decision of the meeting on the resolution on which the poll was taken.

Scrutineers at poll.

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

Demand for poll not to prevent, or transaction of other business. Resolution how decided in case of equality of votes.

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

107. In 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 take place, or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or votes which he may be entitled as a member.

Reports, Statements and Registers to be laid on the table.

108. At every Annual General Meeting of the Company there shall be laid on the table Director's Report and audited Statement of Accounts, Auditor's Report (if not already incorporated in the audited accounts), the Proxy Register with proxies and the Register of Directors and Managing Director's or Manager's holdings maintained under Section 307 of the Act. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Registration of certain Resolutions and Agreements.

109. A copy each of the following resolutions (together with a copy of the statement of material facts annexed under Section 173 to the notice of the meeting in which such resolution has been passed) or agreement shall, within thirty days after the passing or making thereof, be printed or type-written and duly certified under the signature of an officer of the Company and filed with the Registrar:-

- (a) all special resolutions;
- (b) resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolutions;
- (c) resolutions of the Board or agreements relating to the appointment, re-appointment or renewal of the appointment or variation of the terms of appointment of a Managing Director;
- (d) resolutions or agreements which have been agreed to by all the members or any class of shareholders but which if not so agreed to would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner and all resolutions or agreements which effectively bind all the members or any class of shareholders though not agreed to by all those members.
- (e) resolutions requiring the Company to be wound up voluntarily passed in pursuance of sub-section (1) of Section 484 of the Act;

- (f) resolutions passed by the Company according consent to the exercise by the Board of Directors of the powers under clauses (a),(d), and (e) of sub-section (1) of section 293 of the Act; and
- (g) resolutions passed by the Company approving the appointment of sole selling agents under Section 294 of the Act.

A copy of every resolution which has the effect of altering the Articles of Association of the Company and a copy of every Agreement referred to in the above sub-clauses (c) and (d) shall be embodied in and annexed to every copy of the Articles issued after the passing of the resolution or the making of the Agreement.

Minutes of General Meetings.

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

Inspection of minutes books of General Meetings.

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

Publication of report of proceedings of General Meetings.

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

VOTES OF MEMBERS

Votes may be given by proxy or attorney.

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

Votes.

114. Subject to the provisions of the Act and particularly of Sections 87,88 and 92(2) thereof and of these articles:-

- (1) upon a show of hands every member holding equity shares and entitled to vote and present in person including a proxy of a Corporation or a representative of a Company as mentioned in Article (115), shall have one vote;
- (2) upon a poll the voting right of every member holding equity shares entitled to vote and present in person (including a proxy of a Corporation or a representa-

tive of a company present as aforesaid) or by proxy shall be in the same proportion as the capital paid on the equity share or shares (whether fully paid or partly paid) held by him bears to the total paid-up equity capital of the Company;

- (3) upon a show of hands or upon a poll, the voting right of every member holding preference share shall be subject to the provisions, limitations and restriction laid down in Section 87 of the Act.

No voting by proxy on show of hands.

115. No member not personally present shall be entitled to vote on a show of hands unless such member is a Corporation present by proxy or unless such member is body corporate present by a representative duly authorised under Section 187 of the Act or by a proxy in which case such proxy or representative may vote on show hands as if he were a member of the Company.

Votes in respect of shares of deceased and insolvent members.

116. Any person entitled under the Transmission Article (Article 57 hereof) to transfer any shares may vote at any General Meeting in respect thereof as if he were the registered holder of such shares; provided that atleast forty-eight hours before the time of holding of the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity, if any, as the Directors may require, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Voting by members of unsound mind and minors.

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

No member to vote unless call are paid up.

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

Right of member to use his votes differently.

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

Proxies.

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

Appointment of proxy.

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

Deposit and validity of instrument of appointment.

122. (1) The instrument of proxy shall be deposited at the office of the Company not less than forty-eight hours before the time for holding the meeting at which the

person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

Inspection of proxy.

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

Form of Proxy.

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

I/we.....of
.....
in the district of.....being a member/members of the above
named Company hereby appoint..... in the district
of.....or
failing him.....in the district of.....as my/
our proxy to vote for me/us on my/our behalf at the Annual General Meeting/
Extraordinary General Meeting of the Company to be held on
the.....day of.....and at any adjournment
thereof.

Signed thisday of.....19.....

Custody of the instrument of proxy notwithstanding death of member etc.

124. Where the power to act as proxy is given by any member by executing special or general power of attorney, such power of attorney shall be delivered to the Company along with an extra copy thereof and the Company on comparing the copy with the original, shall return the original.

Validity of Votes given by proxy notwithstanding death of member etc.

125. 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 under which such proxy was signed provided that no intimation in writing of the death or revocation shall have been received before the commencement of the meeting.

Time for objection to votes.

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

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

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

DIRECTORS

Number of Directors.

128. Unless otherwise determined by a Special Resolution, the number of Directors shall not be less than three and more than twelve including the Nominated Directors (the ex-officio Director referred to in Article 129) and the Debenture Director referred to in Article 130.

The persons hereinafter named shall be the first Directors of the Company:

1. Mr. Praveen Kumar Jain
2. Mr. Bhikam Chand Singhi
3. Mr. Chandresh Kumar Jain

129. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the INDUSTRIAL DEVELOPMENT BANK OF INDIA (IDBI), INDUSTRIAL FINANCE CORPORATION OF INDIA (IFCI), INDUSTRIAL RECONSTRUCTION BANK OF INDIA (IRBI), LIFE INSURANCE CORPORATION OF INDIA (LIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, IRBI, LIC and Unit Trust of India (UTI) or any other Finance Corporation or Credit Corporation or any other Financing Company or body (each of which IDBI, IFCI, ICICI, IRBI, LIC & UTI or any other Financing Company or Body is hereinafter in this Article referred to as "the Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, Wholtime or Non-Whole time, (which Director or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s. The Board of directors of the company shall have no power to remove from office the nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Director/s shall not be liable to retirement by rotation of Directors subject as aforesaid. The Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds debentures in the Company as a result of direct subscription or private placement as a result of underwriting or direct subscription or the

liability of the company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the company to the Corporation are paid off on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation. The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meeting, Board Meetings and of the meetings of the Committee of which the Nominee Director/s is /are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the company are entitled, but if any other fees, commissions, money and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be to such Nominee Directors.

Provided that, if any, such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. In the event of the Nominee Director/s being appointed as Wholtime Directors, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a Whole time Director in the management of the affairs of the Company. Such time Director/s shall be entitled to receive such remuneration fees, commission and moneys as may approved by the Corporation .

Debenture
Directors

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

Appointment of
Alternate Directors.

131. The Board of Directors of the Company or the Collaborator as the case may appoint an Alternate Director to act for a Director (here-inafter called "the Original Director") during his absence for a period of not less than three months from the State in which the meeting of the Board of Directors are ordinarily held and such appointment shall have effect and such appointee, whilst he hold office as an Alternate Director shall be entitled to notice of meetings of the Directors and to attend and vote thereat accord-

ingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns. If the term of office of Original Director is determined before he so returns to the said State of any provisions in the Act or in these Articles for the Automatic re-appointment of the retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Casual Vacancy.

132. Subject to the provisions of Section 262(2) and 283(1) and other applicable provisions (if any) of the Act any casual vacancy occurring in the office of a Director whose period of office is liable to determination by retirement by rotation may be filled up by the Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date on which the Director in whose place he is appointed would have held office if the vacancy had not occurred.

Appointment of Additional Directors.

133. Subject to the provision of Section 260 and other applicable provisions (if any) of the Act, the Directors shall have power at any time and from time to time to appoint a person or persons as Additional Director or Directors. The Additional Director shall hold office till the date of the next following Annual General Meeting but shall be eligible for re-appointment.

Qualification of Directors.

134. A Director of the Company shall not be required to hold any qualification shares.

Remuneration of Directors.

135. (1) Every Director will be paid by way of sitting fee for each meeting of the Board or a committee of the Board attended by him such sum as the Board may determine from time to time subject to the terms and conditions and limits as may be prescribed by the competent authority under the provisions of the Companies Act, 1956 and/ or rules made thereunder.
Subject to the provisions of the Act, the Directors may also be paid further remuneration, as the company, in General Meeting, may from time to time determine, and such further remuneration shall be divided among the Directors in such manner as the Director may and such remuneration may be either by way of a fixed sum or as commission computed in terms of Sections 309, 349, 350 and 351 of the Act.

Directors not bonafide residents of the place where meetings of the Board or Committee are held may receive their expenses.

(2) The Directors may, subject as aforesaid, allow and pay to any Director who is not a bona - fide resident of the place where a meeting is held and who shall come to such place for the purpose of attending a meeting, travelling, boarding, lodging and other expenses in addition to his fees for attending such meeting as above specified.

Special remuneration to Director going out of the place where he normally resides on the Company business or otherwise performing extra services.

(3) Subject to the provisions of Sections 309 and 310 of the Act, if any Director, being willing, shall be called upon to perform extra services or to make any special exertion in going or residing out of the place where he normally resides or otherwise for any of the purposes of the Company, the Company shall, subject as aforesaid, remunerate such Director or where there is more than one such Director to all of them together either by a fixed sum or by a percentage of

profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for the remuneration above provided.

Directors may act notwithstanding vacancy.

136. The continuing Directors may act notwithstanding any vacancy in their body; but so that if the number fails below the minimum number above fixed and notwithstanding the absence of a quorum, the Directors shall not act except for the purposes of filling up vacancy or for summoning a General Meeting of the Company.

When office of Directors to become vacant.

137. (1) Subject to the provision of Section 283 (2) of the Act, the office of a Director shall become vacant if :
- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
 - (b) he applies to be adjudicated an insolvent ; or
 - (c) he is adjudged an insolvent; or
 - (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government has by a notification in the Official Gazette, removed the disqualification incurred by such failure ; or
 - (e) any office or place of profit under the Company or any subsidiary thereof is held by him in contravention of Section 314 of the Act; or
 - (f) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer without obtaining leave of absence from the Board of Directors ; or
 - (g) he becomes disqualified by an order of the Court under Section 203 of the Act; or
 - (h) he is removed in pursuance of Section 284 of the Act; or
 - (i) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a Director, accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act ; or
 - (j) he acts in contravention of Section 299 of the Act and by virtue of such contravention shall have been deemed to have vacated office; or
 - (k) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (2) he having been appointed a Director by virtue of his holding any office or other employment in the Company ceases to hold such office or other employment in the Company.

- Resignation. (3) Subject to the provision of the Act, a Director may resign from his office at any time by notice in writing addressed to the Company or to the Board of Directors.
- Directors may contract with Company. 138. (1) Subject to the provisions of sub-clauses (2), (3), (4) and (5) of this article and the restrictions imposed by Article 145 and the other Articles hereof and the Act and the observance and fulfilment thereof, no Director shall be disqualified by his office from contracting with the Company for any purpose and in any capacity whatsoever including either as vendor, purchaser, agent, broker or otherwise nor shall any such contract or any other contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only such Director holding office, or of the fiduciary relation thereby established, but the nature of his interest must be disclosed by him as provided by subclauses (2), (3) and (4) hereof.
- Disclosure of interest. (2) Every Director who is any way whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided in clause (4) here or.
- When disclosure to be made. (3) (a) In the proposed contract or arrangement, the disclosure required to be made by a Director under sub-clause (2) above shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting concerned or interested, the Director concerned shall take reasonable steps to ensure that it is brought up and read at the first meeting of the Board after it is given.
- (b) In the case of any other contract or arrangement the required disclosure shall be made at first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- General Notice of interest. (4) For the purpose of this Article, a General Notice given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be sufficient disclosure of his concern or interest in relation to any contract or arrangement so made. Any such General Notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of financial year in which it would have otherwise expired. The General Notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to ensure that it is brought up and read in the first meeting of the Board after it is given.

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

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

Provided that this prohibition shall not apply:

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

Register of contracts in which Directors are interested.

139. (1) The Company shall keep one or more Registers in accordance with Section 301 of the Act in which shall be entered separately particulars of all contracts or arrangements to which Section 297 or Section 299 of the Act applies including the following particulars to the extent they are applicable in each case, namely :-
- (a) the date of contract or arrangement ;
- (b) the names of the parties thereto ;
- (c) the principal terms and conditions thereof ;
- (d) in the case of a contract to which Section 297 of the Act applies, or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies, the date on which it was placed before the Board.
- (e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.
- (2) Particulars of every such contract or arrangement to which Section 297 of the Act or as the case may be sub-section (2) of Section 299 of the Act applies, shall be entered in the relevant Register aforesaid
- (a) * in the case of a contract or arrangement requiring the Board's approval, within seven days (exclusive of Public Holidays) of the meeting of the Board at which the contract or arrangement is approved ;
- (b) in the case of any other contract or arrangement, within seven days of the receipt at the Registered Office of the Company of the particulars of such

other contract or arrangement or within thirty days of the date of such other contract or arrangement whichever is later ; and the Register shall be placed before the next meeting of the Board and shall be signed by all the Directors present at all meeting.

- (3) The Register aforesaid shall also specify, in relation to such Director of the Company, the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act.
- (4) Nothing in the foregoing sub-clause (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials and services, if the value of such goods and materials or the cost of such services does not exceed five thousand rupees in the aggregate in any year. The Registers as aforesaid shall be kept at the Registered Office of the Company and they shall be open to inspection at such office and extracts may be taken from any of them and the copies thereof may be required by any member of the Company, to the same extent, in the same manner and on payment of the same fee as in the case of the Register of Members.

Directors may be Directors of Companies promoted by the Company.

140. A Director of the 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 subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as a Director or member of such company.

Disclosure by Director etc. of appointments.

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

Disclosure of holdings.

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

Directors not to hold office of profit.

143. (1) Except with the consent of the Company accorded by a special resolution:-
- (a) no Director of the Company shall hold any office or place of profit ; and
 - (b) no partner or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a

director or member, and no Director or Manager of such a private Company shall hold any office or place of profit carrying a total monthly remuneration of such sum as may be prescribed under Section 314 (1) of the Act, except that of Managing Director, Manager, Banker, or Trustee for the holder of Debentures of the Company :

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

Provided that it shall be sufficient if the special resolution according the consent of the Company is passed at the General Meeting of the Company held for the first time after the holding of such office or place of profit.

Provided further that where a relative of a Director or firm in which such relative is a partner, is appointed to an office or place of profit under the Company or a subsidiary thereof without the knowledge of the Director, the consent of the Company may be obtained either in the General Meeting aforesaid or within three months from the date of appointment, whichever is later.

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

- (2) Nothing in clause (1) above shall apply where a relative of a Director or a firm in which such relative is a partner hold any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place of profit before such Director becomes a Director of the Company.
- (3) Notwithstanding anything contained in clause (1) above :-
 - (a) no partner or relative of a Director or Manager ;
 - (b) no firm in which such Director or Manager or relative of either, is a partner;
 - (c) no private company of which such Director or Manager or relative of either is a Director or Member ;

shall hold any office or place of profit in the Company which carried a total monthly remuneration of not less than such sum as may be prescribed under Section 314 (1B) of the Act, except with the prior consent of the Company by a special resolution and the approval of the Central Government.

- (4) If any office or place of profit is held in contravention of the provisions of clause (1) above the Director, partner, relative, firm or private Company or the Manager concerned shall be deemed to have vacated his or its office as such on and from the date next following the date of the General Meeting of the Company referred to in the first proviso or as the case may be, the date of the

expiry of the period of three months referred to in the second proviso to that clause and shall also be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceding the date aforesaid in respect of such office or place of profit. The Company shall not waive recovery of any sum refundable to it under this clause unless permitted to do so by the Central Government.

- (5) Every individual, firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applied shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with a Director of the Company in any of the ways referred to in clause (1) hereof.
- (6) If any office or place of profit referred to in clause (3) is held, without the prior consent of the Company by a special resolution and the approval of the Central Government, the partner, relative, firm, or private company appointed to such office or place of profit shall be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him on and from the date on which the office was so held by him.
- (7) The company shall not waive the recovery of any sum refundable to it under clause (6) unless permitted to do so by the Central Government.
- (8) An office or place of profit shall be deemed to be an office or place of profit under the Company within the meaning of this Article :
 - (a) In case the office or place is held by a Director, if the Director holding it obtains from the Company anything by way of remuneration over and above the remuneration to which he is entitled as such Director, whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise ;
 - (b) In case the office or place is held by an individual other than a Director or by any firm, private company or other body corporate if the individual, firm, private company, or body corporate holding it, obtains from the company anything by way of remuneration whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

Loans to Directors.

144. The Company shall observe the restrictions imposed on it regarding the granting of loans to Directors and other persons as provided in Section 295 and other applicable provisions, if any, of the Act.

Board resolution necessary for contracts.

145. (1) Except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, or a firm in which such a Director or relative is a partner, or any other partner in such a firm or private Company of which the Director is a member or Director, shall not enter into any contract with the Company (a) for the sale, purchase or supply of any goods, materials or

services or (b) for underwriting the subscription of any shares in, or debentures of the Company.

(2) Nothing contained in the foregoing clause (1) shall effect :

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

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

Provided that for purpose of clause (a) and (b) above such contracts do not relate to goods and services the value of which does not exceed five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

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

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

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

(6) The Directors so contracting or being so interested shall not be liable to the Company for any profit realised on any such contract or the fiduciary relations thereby established.

RETIREMENT AND ROTATION OF DIRECTORS

Retirement by Rotation.

146. (1) Not less than two-third of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation, and save as otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.

- Director to retire annually how determined.
- (2) The remaining Directors shall be appointed in accordance the provision of these Articles and particularly in accordance with the provisions of Articles 129, 130 and 173.
- (3) At the first Annual General Meeting of the Company and at every subsequent Annual General Meeting one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then number nearest to one-third shall retire from office.
- Ascertainment of Directors retiring by rotation.
147. Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Articles at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lots. Subject to the provisions of the Act a retiring Director shall remain in office until the conclusion of the meeting at which his reappointment is decided or his successor is appointed.
- Eligibility for re-appointment.
148. Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for reappointment.
- Company to fill up vacancy.
149. The Company, at the Annual General Meeting at which a Director retires in manner aforesaid, may fill up the vacated office by electing the retiring Director or some other person thereto.
- Provisions in default of appointment.
150. (1) If the place of the retiring Director or Directors is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.
- (2) If at the adjourned meeting also, the place of the retiring Director or Directors is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director or Directors shall be deemed to have been reappointed at the adjourned meeting unless :-
- at the meeting or at the previous meeting a resolution for the appointment of such Director or Directors has been put to the meeting and lost.
 - the retiring Director or Directors has or have by a notice in writing addressed to the Company or its Board of Directors expressed his or their unwillingness to be so reappointed.
 - he is or they are not qualified or is or are disqualified for appointment.
 - a resolution, whether special or ordinary is required for his or their appointment or reappointment by virtue of any provisions of the Act.
 - Article 152 or sub-section (2) of Section 263 of the Act is applicable to the case.
- Notice of candidature for office of Directors.
151. (1) Subject to the provisions of the Act and these Articles any person who is not a Retiring Director shall be eligible for appointment to the office of the Director at

any General Meeting if he or some member intending to propose him as at least fourteen clear days before the meeting, left at registered office of the Company, a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be alongwith a deposit of rupees five hundred 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) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under sub-clause (1) of this Article or Section 257 of the Act signifying his candidature for the office of Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

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

(4) A person other than :-

(a) a Director re-appointed after retirement by rotation or immediately on the expiry of the terms of his office; or

(b) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under section 262 of the Act appointed as a Director or reappointed as a director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office; or

(c) a person named as a Director of the Company under these Articles as first registered shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Individual resolution for Directors.

152. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of these Articles shall be void whether or not objection was taken at the time of its being so moved; provided that where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

Removal of Directors.

153. (1) Subject to the provisions of Section 284 of the Act, these Articles and the Collaboration Agreement the Company may, by ordinary resolution, remove any Director other than the Directors nominated by PAIC before the expiration of his period of office and may appoint another person in his place. The person so appointed shall be subject to retirement, at the same time and in the same manner, as the Director in whose place he is appointed.
- (2) Special notice as provided by Article 94 and Section 190 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- (3) On receipt of any such resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (4) Where notice is given of a resolution to remove a Director under this Article, the Director concerned makes with respect thereto representation in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall unless the representation is received by it too late for it to do so (a) in the notice of the resolution given to the members of the Company state the fact of the representation having been made; and (b) send a copy of the representation to every member of the Company, and if a copy of the representation is not sent as aforesaid because it was received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the meeting. Provided that copies of the representation need not be sent or read out at the meeting, if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.
- (5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 132 or Section 262 of the Act be filled by the appointment of another Director in his place by the meeting at which he is removed; Provided a special notice of the intended appointment has been given under sub-clause (2) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.
- (6) If the vacancy is not filled under sub-clause (5), it may be filled as a casual vacancy in accordance with the provisions (in so far as they are applicable) of Article 132 or Section 262 of the Act and all the provisions of that Section shall apply accordingly.
- (7) A Director who was removed from office under this Article shall not be appointed as Additional Director by the Board of Directors.

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

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

INCREASE OR REDUCTION IN THE NUMBER OF DIRECTORS AND ALTERATION IN THEIR QUALIFICATION

The Company may increase or reduce number of Directors and alter their qualifications.

154. Subject to the provisions of the Act and these Articles, the Company may by a special Resolution from time to time increase or reduce, within the maximum limit permissible the number of Directors. Provided that any increase in the number of Directors exceeding 12 shall not have any effect unless approved by the Central Government and shall become void if and so far it is disapproved by the Government.

PROCEEDINGS OF BOARD OF DIRECTORS

Meeting of Directors.

155. The Directors may meet together as a Board for the despatch of business from time to time unless the Central Government by virtue of the provisions to Section 285 otherwise directs, and shall so meet at least once in every three months and atleast four such meetings shall be held in every year, and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of a quorum.

When meetings to be convened and notice thereof

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

Quorum.

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

- Adjournment of meeting for want of quorum. 158. If a meeting of Board cannot be held for want of quorum, then the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday till the next successive day which is not a public holiday at the same time and place or at such other place as the Directors present at the meeting may fix.
- Appointment of Chairman. 159. (1) The Chairman shall be elected by the Board of Directors of the company and determine the period for which he is to hold office.
(2) "If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting the directors present may choose one of their member to be the Chairman of the Meeting.
- Who to Preside at meeting of the Board. 160. All meetings of the Directors shall be presided over by the Chairman if present, but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same, then in that case, the Managing Director, if any present, shall be the Chairman of such meeting, and if the Managing Director be also not present, then in that case the Directors shall choose one of the Directors then present to preside over the meeting.
- Question at Board Meeting how decided (Casting Vote) 161. Questions arising at any meeting shall be decided by a majority of votes and in the case of an equality of votes, Chairman of the meeting whether the Chairman appointed by virtue of these articles or the Director presiding at such meeting shall, have a second or casting vote.
- Directors may appoint Committees. 162. (a) Subject to the provisions of Section 292 of the Act and Article 170, the Directors may delegate any of their powers to committees as they may think fit they may from time to time remove and discharge any such committee either wholly or in part and either as to persons or purposes but every Committee so formed shall in the exercise of the powers so delegated to it conform with any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purpose of their appointment but not otherwise shall have the like force and effect as if done by the Board.
- Meeting of the Committee how to be convened. 163. The meeting and proceedings of any such Committee consisting of two or more Directors shall be governed by the provisions hereincontained for regulating the meeting and proceedings of the Directors, so far the same are applicable thereto and are not superseded by any regulations made by the Directors under the preceding Article.
- Resolution by circulation. 164. (1) A resolution passed by circulation without a meeting of the Board shall subject to the provisions of clause 2 hereof and the Act, be as valid and effectual as resolution passed at a meeting of the Board duly called and held.
(2) A resolution shall be deemed to have been duly passed by the Board or by a committee by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than the quorum) for a meeting of the Board or the Committee as the case may be and to all other

Directors or Members of the Committee at their usual address in India and it is approved by such of the Directors or Members of the Committee as are then in India or by majority of them as are entitled to vote on the resolution.

- (3) Subject to the provisions of the Act, a statement signed by the Managing Director or other person authorised in that behalf by the Directors certifying the absence from India of any Director shall for the purpose of this Article be conclusive.

Act of Board or Committee valid notwithstanding defect of appointment.

165. Subject to the provisions of the Act and these Articles all acts done by any meeting of the Directors or by a committee of Directors or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or person acting as aforesaid, or that they or any of them were or was disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided that nothing in this article shall deemed to give validity to acts done by the Directors after their appointment had shown to the company to be invalid or to have been terminated.

Minutes of proceedings of Board of Directors and Committees to be kept.

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

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

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

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

POWERS OF DIRECTORS

General power.

168. (1) Subject to the provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such

acts and things as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other law or by the Memorandum or these Articles or otherwise to be exercised or done by the Company in General Meeting provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Memorandum or in these Articles or in any regulations not in consistent therewith duly made thereunder including regulations made by the Company in General Meeting.

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

Consent of Company
necessary for the exercise
of certain powers.

169. The Board of Directors shall not except with the Consent of the Company in General Meeting by a special resolution :

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking of the whole or substantially the whole, of any such undertaking;
- (b) remit or give the payment of any debt due by a Director;
- (c) create any sole selling agency for the sale of its products.
- (d) invest otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in sub-clause (a) above or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after considerable time;
- (e) borrow moneys in excess of the limits provided in Article 75;
- (f) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amount the aggregate of which will in any financial year of the Company exceed twenty five thousand rupees or five percent of its average net profits determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceeding, whichever is greater.

Certain powers to be
exercised by the Board only
at meetings.

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

- (a) The power to make call on shareholders in respect of money unpaid on their shares.

- (b) The power to issue debentures.
- (c) The power to borrow moneys otherwise than on debentures.
- (d) The power to invest the funds of the Company.
- (e) The power to make loans.

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

- (2) Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegatee. Provided, however, that where the Company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit or otherwise the actual day to day operation of the overdraft, cash credit and or other account by means of which the arrangement is made, or availed of shall not require the sanction of Board.
- (3) Every resolution delegating the power referred to in sub-clause (1) (d) shall specify the total amount up to which the funds may be invested and the nature of the investments which may be made by the delegate.
- (4) Every resolution delegating the power referred in sub-clause (1) (e) shall specify the total amount up to which loans may be made by the delegate, the purpose for which the loans may be made and the maximum amount of loan which may be made.
- (5) Nothing contained in this Article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clause (a), (b), (c), (d) and (e) of Clause (1) above.

Certain express Powers of the Board.

171. Without prejudice to the powers conferred by Articles 75 and 168 and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in Articles 169 and 170, that the Directors shall have the following powers that is to say, power;

To pay preliminary and promotional costs and charges.

(1) To pay all costs, charges and expenses preliminary and incidental to the promotion, establishment and registration of the Company.

To pay Commission and interest.

(2) To pay and charge to the capital of the Company any commission or interest lawfully payable thereat under the provisions of Section 76 and 208 respectively of the Act and Articles 15 and 181.

To acquire property.

(3) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally

on such terms and conditions as they may think fit, and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

To pay for property in debenture and otherwise

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

To insure properties of the Company.

- (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the building, machinery, goods, products and other moveable property of the Company either separately or co-jointly, also to insure all or any portion of 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.

To open accounts with Bank.

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

To secure contracts by mortgage.

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

To attach conditions for transfer of any shares.

- (8) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or without property acquired by the Company or in payment for services rendered to the Company, such condition as to transfer thereof as they think fit.

To accept surrender of shares.

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

To appoint Trustees.

- (10) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes, and to execute and 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.

To bring and defend action.

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

- To refer To arbitration.
- To act in insolvency matters.
- To give receipts.
- To authorise accep-
tances.
- To make investments.
- To execute Mortgages.
- To distributes Bonus.
- Arrangements for
sharing profits.
- To provide for welfare
of employees and to
subscribe to Provident
Fund etc.
- (12) To refer any claim or demand by or against the Company or any difference to arbitration and observe and perform any awards made thereon.
- (13) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (14) To make and give receipts, releases and other charges for moneys payable to the Company and for the claims and demands of the Company.
- (15) To determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend, warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- (16) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security and other investments (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, provided that save as permitted by Section 49 of the Act all investments shall be made and held by the Company in its own name.
- (17) To execute in the name and on behalf of the Company in favour of any Director other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company upon such mortgage of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants provisions and agreements as shall be agreed upon.
- (18) To distribute by way of bonus amongst the staff of the Company, a part of the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.
- (19) Subject to the provisions of the Act, to give to any officer or other person employed by the Company an interest in any particular business or transaction by way of a share in the general profit of the Company, and such share of profits shall be treated as a part of the working expenses of the Company.
- (20) To provide for the welfare of employees or ex-employees of the Company and its Directors or Ex-Directors and the wives, widows and families and the dependants or connection of such persons, by building of houses, dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonus, profit sharing bonuses or benefits or any other payments, or by creating and from time to time subscribing or contributing to provident and other payments, or by creating and from time to time subscribing or contributing to provident and other funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction, recre-

ation, hospitals and dispensaries, medical and other attendances and other forms of assistance, welfare or reliefs as the Directors shall think fit and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other institutions, objects or for purposes of any exhibition.

To create depreciation and other funds.

(21) Before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund, Insurance Funds, General Reserve Funds, Sinking Fund, or any special or other fund or funds or account or accounts to meet contingencies or to pay Redeemable Preference Shares, debentures or debenture-stock or special dividends, and for equalising dividends, and for repairing, improving, extending and maintaining any part of the property of the Company, and/or for such purposes (including the purposes referred to in the last two preceding sub-clause) 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 as much thereof as are required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with and vary any such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof, may be matters to or upon which the capital or moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit and to employ the assets constituting all or any of the above funds or accounts including the Depreciation Fund appropriated out of net profit in the business of the Company or in the purchase or replacement of Redeemable Preference Shares, debentures, or debenture-stock and that without being bound to keep the same separate from the other assets, and without being bound, to allow or pay interest on the same with power however to the Directors at their descretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

To appoint Employees.

(22) Subject to the provisions of the Act, to appoint and at their discretion, remove or suspend such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit and also without prejudice as aforesaid from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in sub-clauses (24), (25), (26) and (27) following shall be without prejudice to the general powers conferred by this sub-clause.

- To comply with local laws.
- (23) To comply with the requirements of any local law which in their opinion shall, in the interest of the Company, be necessary or expedient to comply with.
- Local Board.
- (24) From time to time at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Board, or any managers or agents, and to fix their remuneration.
- Delegation.
- (25) Subject to the provisions of Section 292 of the Act and Article 170, from time to time at any time to delegate to any such Local Board or any member or members thereof any managers or agents so appointed, any of the powers, authorities, and discretions for the time being vested in the Board of Directors, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies, and any such appointment of delegatee under sub-clause be subject to such conditions as the Board of Directors may think fit and the Board of Directors, may at any time remove any persons so appointed, and may annul or vary any such delegation.
- Power of Attorney.
- (26) At any time and from time to time by power of Attorney to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors) under these presents and excluding the powers which may be exercised only by the Board of Directors at a meeting of the Board under these presents and excluding the power which may be exercised only by the Board of Directors at a meeting of the Board under the Act or these Articles or by the Company in General Meeting and for such period and subject to such conditions as the Board of Directors may from time to time think fit and any such appointment may (if the Board of Directors may think fit) be made in favour of the members of any of the members of any Local Board, established as aforesaid or in favour of any company or the members, Directors, nominees or managers of any company, or firm or otherwise in favour of any body or persons whether nominated directly, or indirectly by the Board of Directors and any such power of attorney may contain powers enabling any such delegate or attorney as aforesaid to subdelegate all or any of the powers and authorities for the time being vested in them.
- To delegate powers.
- (27) Subject to the provisions of the Act and these Articles, to delegate the powers, authorities and discretions vested in the Directors to any person, firm, company, or fluctuating body of persons as aforesaid.
- To enter into contracts.
- (28) Subject to the provisions of the Act and these Articles or in relation to any of the matters aforesaid or otherwise for the purpose of the Company, to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes for the Company.

MANAGING DIRECTOR OR WHOLETIME DIRECTORS

- Powers to appoint Managing Director.
- Power to appoint wholetime Director.
- Duties and power of wholetime Director.
- Managing Director to be non-rotational and a wholetime Director.
- Remuneration of Managing Director/ whole time Directors
- Powers and Duties of Managing Director
- Secretary
172. (a) Subject to the provisions of Sections 269,316 and 317 and other applicable provisions of the Act, the Board shall, from time to time, appoint one of the Directors as Managing Director of the Company.
- (b) Subject to the provisions of Section 269 and other applicable provisions of the Act, the Board may from time to time, appoint two Directors as whole time Directors of the Company for such term not exceeding five years at a time, and may from time to time remove, dismiss them from office and appoint another in their place. Such appointment of whole time Directors shall be approved by a special resolution in the General Meeting.
- (c) The wholetime Director or Directors, so appointed shall carry out such functions and have such powers as may be entrusted and/or delegated to him or them by the Board of Directors in consultation with the Managing Director. The wholetime Director or Directors shall work under the supervision and control of Managing Director.
173. The Managing Director shall be a wholetime Director of the Company. A Managing Director so appointed shall not while holding the office be subject to retirement by rotation but he shall be taken into account in determining the number of Directors to retire by rotation.
174. The remuneration of the Managing Director or Wholetime Directors (subject to the provisions of Section 309 and other applicable provisions of the Act and of these Articles and of any contract between him or them and the Company) shall be in accordance with the terms of his or their contract with the Company.
175. Subject to the provisions of the Act and to the terms of resolution of the Company in General Meeting or of any Resolution of the Board, the Managing Director shall have effective control of the day to day Management of the Company, under the superintendence, control and direction of the Board. He may, subject to the approval of the Board, have power to do all, acts, matters, and things deemed necessary, power or expedient for carrying on the business and concerns of the Company, including power to appoint, suspend and dismiss officers staff and workman of the Company and to exercise such powers as are delegated to him by the Board or as may be detailed in the agreement between him and the Company in such matters as incurring capital and revenue expenditure on behalf of the Company, entering into contracts, taking suitable legal actions, operating of bank account, making investment and other subjects.
176. Subject to the provision of Section 2(45) & 383(A) of the Companies Act the Directors may appoint a Secretary of the Company for such term, at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. The Directors may appoint a temporary but duly qualified substitute for the Secretary, who shall for the purpose of these presents, be deemed to be the

SECRETARY

Secretary. The main function of the Secretary shall be the responsibility for maintaining registers required to be kept under the Act, for making necessary documents & returns to the Registrar of Companies under the Act and for carrying out all other administrative and ministerial acts, duties and functions which a Secretary of a Company is normally supposed to carry out, such as giving the necessary notice to the members, preparing agendas of meeting, issuing notice to Directors, preparing minutes of meetings of members and of Directors and of any Committee of Directors and maintaining minute books and other statutory documents, and he shall carry out and discharge such other functions and duties as the Directors or the Managing Director may from time to time require him to do.

REGISTER, BOOKS AND DOCUMENTS

Register, Books and Documents to be maintained by the Company.

177. (1) The Company shall maintain all Registers, Books and Documents as required by the Act or these Articles including the following namely :-
- (a) Register of Investments held in the Company's name according to Section 49 of the Act.
 - (b) Register of Debentures and Charges according to Section 143 of the Act.
 - (c) Register of Members and Index of Members according to sections 150 and 151 of the Act.
 - (d) Register and Index of Debenture-holders according to Section 152 of the Act.
 - (e) Register of Contracts with and of Companies and Firms in which the Directors are interested according to Section 301 of the Act, and shall enter therein the relevant particulars contained in Sections 297 and 299 of the Act.
 - (f) Register of Directors and Managing Directors according to Section 303 of the Act.
 - (g) Register of Shareholdings and Debenture holdings of Directors according to Section 307 of the Act.
 - (h) Register of investments in Shares or Debentures of bodies corporate according to Section 372 of the Act.
 - (i) Books of account in accordance with provisions of Section 209 of the Act.
 - (j) Copies of instruments creating any charges requiring registration according to Section 136 of the Act.
 - (k) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of the certificates required under Section 161 of the Act.

- (1) Register of Renewed and Duplicate Certificates according to Rule 7(2) of companies (Issue of Share Certificates) Rules, 1960.
- (2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection for such person as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act, or these articles and extracts shall be supplied to those persons entitled thereto in accordance with the provisions of the Act or these Articles.
- (3) The Company may keep a foreign Register of Members in accordance with Sections 157 and 158 of the Act. Subject to provision of Sections 157 and 158 of the Act, the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Registers of Members and / or Debenture holders.

THE SEAL

- Seal 178. The Directors shall provide a Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by or under the authority of the Directors or a Committee of Directors previously given and in the presence of a Director of the Company or such other persons appointed by the Directors for the purpose.
- Deeds how executed. 179. Subject to the provision relating to the issue of share certificates every deed or other instruments to which the Seal of the Company is required to be affixed, shall unless the same is executed by duly constituted attorney of the Company, be signed by the Managing Director or by two Directors. Provided nevertheless the certificates of debentures may be signed by one Director only or by the Secretary of the Company or by an Attorney of the Company duly authorised in this behalf and certificates of shares shall be signed as provided in Articles 16 hereof.
- Seal abroad. 180. The company may exercise the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

INTEREST OUT OF CAPITAL

- Payment of interest out of capital. 181. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provisions of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period, at the rate, and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the works of buildings or the provisions of plant.

DIVIDENDS

- Division of Profits. 182. The profit of the company, subject to the provision of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. Provided always that 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 up, during such period on such share.
- Capital paid up in advance at interest not to earn dividend. 183. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.
- Dividends in proportion to amount paid up. 184. The company may pay dividends in proportion to the amount paid up or credited as paid up or credited as paid on each share, where a larger amount is paid up or a credited as paid up on shares than no others.
- The Company in General Meeting may declare a dividend. 185. The Company in General Meeting may, subject to the provisions of Section 205 of the Act, declare a dividend to be paid to the members according to their respective rights and interests in the profit and subject to the provisions of the Act may fix the time for its payment. When a dividend has been so declared either the dividend shall be paid or the warrant in respect thereof shall be posted within 42 days of the date of the declaration to the shareholders entitled to the payment of the same.
- Reserves 186. Subject to the provision of the Act the Board shall in accordance with Section 205(2A) of the Act before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and such application may at the discretion, either be employed in the business of the company or be invested in such investments. The Board may also carry forward any profit which it may think prudent not to divide without settle the aside as a reserves.
- Power of Company to limit dividend. (i) No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or otherwise than in accordance with the provisions of section 205, 206 and 207 of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of Company shall be conclusive.
- (ii) No unclaimed or unpaid dividend shall be forfeited by the Company and the same shall be dealt with in accordance with Section 205 A and 205 B of the Companies Act. 1956.
- Interim Dividend. 187. Subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.
- Retention of dividends until completion of transfer under Article 67. 188. Subject to the provisions of the Act, the Directors may retain the dividends payable upon any shares in respect of which any person under Article 57 hereof, is entitled to become a member or which any person under that Article is entitled to transfer until

such person shall become a member in respect of such shares or shall duly transfer the same. The provisions of this Article shall apply to any interest created in a share either by reason of transmission or by operation of law or otherwise.

No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereout.

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

Transfer of shares must be registered.

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

Dividends how remitted.

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

Unclaimed dividends.

192. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the unclaimed dividend shall be dealt with in accordance with the provisions of Section 205 (A) of the Act.

Dividend and call together.

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

CAPITALISATION

Capitalisation

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

- (a) By the issue and distribution as fully paid up shares of the Company; or
- (b) by crediting shares of the Company which may have been issued and are credited as partly paid up with the whole or any part of the sum remaining unpaid thereon.

Provided that any amount standing to the credit of the Share Premium Account or the capital Redemption Reserve Account shall be applied only in crediting the payment of

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

- (2) Such issues and distribution under (1) (a) above and such payment to the credit of unpaid share capital under (1) (b) above shall be made to, amongst and in favour of the members or any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of the capital paid up on the shares held by them respectively in respect of which such distribution under (1) (a) or payment under (1) (b) above shall be made on the footing that such members become entitled thereto as capital.
- (3) The Directors shall give effect to any such resolution and apply such portion of the profit, General Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying in whole or in part the amount remaining unpaid on the shares which may have been issued and are not fully paid under 1 (b) above, provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution or payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
- (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such trusts for the persons entitled thereto as may deem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares and fractional certificates or otherwise as they may think fit.
- (5) Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid up and others are partly paid up only, such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting partly paid shares with the whole or part of the unpaid liability thereof but so that as between the holders of the fully paid shares and the partly paid shares the sum so applied on the payment of such further shares, and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amount then already paid or credited as paid on the existing fully paid shares respectively.
- (6) When deemed requisite a proper contract shall be made in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

ACCOUNTS

Books of Accounts to be kept.

195. (1) The Company shall keep at its Registered Office proper books of Account with respect to:
- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place :
 - (b) all sales and purchases of good by the Company;and
 - (c) the assets and liabilities of the Company;
 - (d) all such accounts and records as may be prescribed under section 209 (1) of the Act.

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

- (2) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transaction effected at that office shall be kept at that office, and proper summarised returns, made upto date at intervals of not more than three months, shall be sent by the branch office of the Company to its Registered Office or other place in India, as the Board thinks fit where the main books of the Company are kept.
- (3) All the aforesaid books shall give a true and fair view of the affairs of the Company or its branch office, as the case may be, with respect to the matters aforesaid, and explain its transaction. The aforesaid books shall be kept on accrual basis and according to the double entry system of accounting.
- (4) The Books of Account and other books and papers shall be open to inspection by any Director during business hours.

Books of Accounts to be preserved.

196. The books of Account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

Inspection by Members of Accounts and books of the Company.

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

Statement of Account to be furnished to Annual General Meeting.

198. The Board of Directors shall lay before each Annual General Meeting, a profit and loss account, which shall relate :-

- (a) in case of the first Annual General Meeting of the Company to the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than nine months; and
- (b) in case of any subsequent Annual General Meeting of the Company, the period beginning with the day immediately after the period for which the account was last submitted and ending with the day which shall not precede the day of the meeting by more than six months, or in cases where an extensions of time has been granted by the Registrar for holding the meeting under the second provision to sub-section (1) of Section 166 of the Act by more than six months and the extension so granted. The period to which the account aforesaid relates is referred to in this Article as a 'financial year' and it may be less or more than a calendar year, but it shall not exceed fifteen months provided nevertheless it may extend to eighteen months where special permission has been granted in that behalf by the Registrar of Companies.

Balance Sheet and Profit and Loss Account.

199. (1) (a) Subject to the provision of Section 211 of the Act, every Balance Sheet shall give a true and fair view of the state of affairs of the Company as at the end of the financial year and shall, subject to the provisions of the said section, be in the form set out in Part-I of Schedule VI of the Act, or as near thereto as circumstances admit or in such other form as may be approved by the Central Government either generally or in any particular case and in preparing the Balance sheet due regard shall be given, as far as may be, to the general instructions for the preparation of Balance Sheet under the heading "Notes" at the end of that part.
- (b) Subject as aforesaid, every Profit and Loss Account shall give a true and fair view of the profit or loss of the Company for the financial year and shall subject to as aforesaid, comply with the requirements of Part-II of Schedule VI of the Act, so far as they are applicable thereto.
- (2) There shall be annexed to every Balance Sheet a statement showing the bodies corporate (including separately the bodies corporate in the same group within the meaning of the Section 372(2) of the Act in the shares of which investments have been made by the Company) including all investments whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out and the nature and extent of the investments so made in each body corporate.
- (3) So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 212 and other applicable provisions of the Act.
- (4) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

Authentication of Balance Sheet and Profits and Loss Account

200. (1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors, by the Secretary, if any, and by not less than two Directors of the Company, one of whom shall be the Managing Director where there is one,
- (2) Provided that when only one Director is for the time being in India the Balance Sheet and Profit and Loss Account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason for non-compliance with the provisions of sub-clause (1) above.
- (3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

Profit and Loss Account to be annexed and Auditors report to be attached to the Balance Sheet,
Board's Report to be attached to Balance Sheet

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

202. (1) Every Balance Sheet laid before the Company in Annual General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs, the amounts, if any, which it proposes to carry reserve in such balance sheet and the amount, if any, which it recommends to be paid by the way of dividend, material changes and commitments, if any, affecting the financial position of the Company which have occurred between end of the financial year of the Company to which the balance sheet relates and the date of the report.
- (2) The Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members, and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business carried on by them and generally in classes of business in which the Company has an interest.
- (3) The Board shall also give the fullest information and explanations in its reports or in cases falling under the provision of Section 222 of the Act in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board and where he is not so authorised shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profits and Loss Account of the Company by virtue of sub-clauses (1) and (2) of Article 200.

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

Right of members to copies of Balance Sheet and Auditor's and Director's report.

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

ANNUAL RETURNS

Annual Return

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

AUDIT

Accounts to be audited

205. Once at least in every year the accounts of the Company shall be balanced and audited and the correctness of the Profit and Loss Account and Balance ascertained by one or more Auditors.

Appointment of Auditors

206. (1) Subject to the provisions of Sections 224 and 224-A of the Act, the Company at every Annual General Meeting shall appoint an Auditor or Auditors to hold office from the conclusion of one annual General meeting until the conclusion of the next Annual General Meeting and shall within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is retiring Auditor.

Automatic reappointment

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

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

Power of Central Government to fill vacancy

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

Company to intimate to Central Governments.

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

Appointment of first Auditors

- (5) The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the

- Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting. Provided that the Company may, at a general meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the meeting.
- Casual Vacancy** (6) The Directors may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting. Any Auditor appointed in a casual vacancy shall hold office until the conclusion of the next Annual General Meeting.
- Auditors not be removed without prior approval of Central Govt.** (7) Except as provided in the proviso to clause(5) above any Auditor appointed under this Article may be removed from office before the expiry of his term only by the Company in General Meeting after obtaining the previous approval of the Central Government in this behalf.
- Special Notice required for appointment of person other than retiring Auditor** (8) A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 225, shall apply in the matter. The provision of this clause shall also apply to a resolution that a retiring Auditor shall not be re-appointed.
- Qualification and disqualification of Auditors** (9) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.
- (10) None of the person mentioned in Section 226 of the Act as not qualified for appointment as Auditor shall be appointed as Auditor of the Company.
- Audit of Branch Offices** 207. The Company shall comply with the provisions of Section 228 of the Act in relating to the audit of the accounts of branch offices of the Company except to the extent which any exemption may be granted by the Central Government in that behalf.
- Remuneration of Auditor** 208. The remuneration of the Auditors of the Company shall be fixed by the Company in General Meeting except that the remuneration of the first Auditors appointed by the Board and of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.
- Rights and duties of Auditors** 209. (1) Every Auditor of the Company shall have the right to access at all times to the books and vouchers of the Company kept at the Registered office of the Company or elsewhere and shall be entitled to require from the Directors and

Right to receive Notice of General Meeting etc.

Auditor's Report

Officers of the Company such information and explanations as may be necessary for the performance of the duties of the Auditors.

- (2) All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have received shall also be forwarded to the Auditors of Company, and the Auditors shall be entitled to attend any General Meeting and to be heard at any General Meetings which he attends on any part of the business which concerns him as Auditors.
- (3) The Auditors shall make a Report to the Members of the Company on the accounts examined by him and on every Balance Sheet and Profit and loss Account, and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account which are laid before the Company in Annual General Meeting during his tenure of office, and the Report shall state whether, in his opinion and to the best of his information and according to the explanations given to him the said accounts give the information required by the Act in the manner so required and give a true and fair view:-
 - (i) In the case of Balance Sheet, of the State of the Company's affairs as at the end of its financial year; and
 - (ii) in case of the Profit and Loss Account, of the profit or loss for its financial year.
- (4) The 'Auditors' Report shall also state:
 - (a) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
 - (b) Whether in his opinion, proper books of account as required by law have been kept by the Company so far as appears from his examinations of these books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
 - (c) Whether the report on the accounts of any branch office audited under Section 228 by a person other than the Company's Auditor has been forwarded to him as required by clause (c) of sub-section (3) of that Section and how he had dealt with the same in preparing the Auditor's Reports; and
 - (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns.
- (5) Where any of the matters referred to in sub-clause (i) and (ii) of clause (3) of this Article or sub-clauses 4 (a), (b), (c) and (d) hereof is answered in the negative or with a qualification the Auditors' Report shall state the reason for the answer.

- (6) The Auditors' Report shall also comply with the requirements of the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued under Section 227 (4A) of the Act as may be applicable in the case of this Company.
- (7) The Accounts of the Company shall not be deemed as not having been and the Auditor's Report shall not state that these accounts have not been properly drawn up on the ground merely that the Company has not disclosed certain matters if:
- (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in the Act or any other Act; and
 - (b) these provisions are specified in the Balance Sheet and Profit and Loss Account of the Company.

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

210. Every account when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected and thereafter it shall be conclusive and a copy of the accounts as corrected shall be filed with the Registrar.

DOCUMENTS AND SERVICE OF DOCUMENTS

Service of documents how effected

211. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisitions, process, order, judgement or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address or to the address, (if he has no registered address in India) if any, within India supplied by him to the Company.
- (2) Where a document has been sent by post ;
- (a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the documents, provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and
 - (b) such service shall be deemed to have been effected;
 - (i) in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the notice is posted; and
 - (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

Service on members having no registered address

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

Service on person acquiring shares on death or insolvency of member

213. A document may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the post in 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 person claiming to be so entitled or (until such address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

Persons entitled to notice of General Meeting

214. Subject to the provisions of the Act and these Articles notice of General Meeting shall be given;

- (i) to members of the Company provided by Article 91 in any manner authorised by Articles 211 and 212 as the case may be or as authorised by the Act;
- (ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 213 or as authorised by the Act;
- (iii) to the Auditor or Auditors for the time being of the Company, in any manner authorised by Articles 211 or the Act as in case of any member or members of the Company.

Advertisement

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

Members bound by documents given to previous holders

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

Notice by Company and signature there to

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

Service or notice by members

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

AUTHENTICATION OF DOCUMENTS

Authentication of documents and proceedings

219. Save as otherwise expressly provided in the Act or these Articles, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, the wholetime Director or an authorised officer of the Company and need not be under its Seal.

WINDING UP

Distribution of Assets

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

Distribution of assets in special or kind

221. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, but subject to the rights attached to any preference share capital, divide amongst the contributories, in cash 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 trust for the benefit of the contributories or any of them as the liquidators, with the like sanction shall think fit.
- (2) If though expedient, any such decision may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any such decision otherwise than in accordance with the legal rights of the contributories shall be determined, any contributory who would be prejudiced thereby shall have a right to dissent and if any contributory so dissent then the ancillary rights shall follow in such a manner as if such determination were a special resolution passed pursuant to Section 494 of the Act.
- (3) In case any of the shares to be divided as aforesaid involved a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing intimate to the liquidators to sell his proportion and pay him the net proceeds and liquidators shall, if practicable act accordingly.

Rights of shareholder in case of sale

222. A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act, may subject to the provisions of the Act in the like manner as

aforesaid determine that any shares or other consideration receivable by the liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said section.

SECURITY CLAUSE

Secrecy Clause

223. (a) Every Director, Manager, Auditor Treasurer, Trustee, Member of a committee, officer, servant, agent, accountant and other persons employed in the business of the Company, shall if so required by the Directors, before entering upon his duties sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters related thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (b) No member shall be entitled to visit or inspect the Company's work without the permission of Directors or the Managing Director or to require discovery of any information respecting any detail of the Company's trading or any matter which is or may be in that nature of a trade, mystery of trade or secret process, which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the Managing Director it will be inexpedient in the interest of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

Directors and others right to indemnity

224. (a) Subject to the provision of Section 201 of the Act every Director of the Company or the Managing Director, Manager, Secretary and other officer or employee of the Company and all Trustees (if any) for the time being acting in co-relation to any of the affairs of the Company and every one of them shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Managing Director, Officer or employee and the trustees (if any) for the time being acting in co-relation to any of the affairs of the Company may incur or become liable to by reason of any contract entered into any act or deed done by him as such Director, Officer or servant or in any way in the discharge of his duties.
- (b) Subject to as aforesaid every Director, Managing Director, Manager, Secretary or other officer or employee of the company or the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his

favour or in which he is acquitted or in connection with any applications under section 633 of the Act, in which relief is given to him by court.

225. Subject to the provisions of Section 201 of the Act no Director or the Managing Director or other officer of the Company shall be liable for the acts, omissions, neglects, defaults of any other Director or Officer or for joining in any omission or other act for conformity, or for any loss or expenses suffered by the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company or Corporation with whom any moneys, securities or effects shall be invested or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person, Company or Corporation with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damages or misfortune whatsoever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty, wilful neglect or default.

S. No.	Name, Description Occupation and address of subscribers	Signature of Subscribers	Signature of Witness with address and occupation
1.	Mr. Praveen Kumar Jain S/o Late B. L. Jain 741-B, Gali Arya Samaj, Gandhi Nagar, Delhi-31 (Business)	Sd/-	I witness the signatures of above subscribers who have signed in my presence Sd/- (Nand Sardana) S/o Shri J. K. Sardana R/o A-370, Kalkaji, New Delhi-110019 Chartered Accountant M. No. 88841
2.	Mr. Chandresh Kumar Jain S/o Late B. L. Jain 741-B, Gali Arya Samaj, Gandhi Nagar, Delhi-31 (Business)	Sd/-	
3.	Mr. Bijoy Raj Choudhury S/o Sri Bachh Raj Choudhury 134/1, M. G. Road, Calcutta-7 Business	Sd/-	
4.	Bhikam Chand Singhi S/o Sri Malchand Singhi 23/24, R.M. Lane, Howrah-I Business	Sd/-	
5.	Kamal Singh Bhutoria S/o Sh. R.S. Bhutoria M-64, Greater Kailash-II Market, New Delhi-110048 Chartered Accountant	Sd/-	
6.	Bimal Kumar Surana S/o Pusraj Surana 5933, Basti Harful Singh Delhi-6 Service	Sd/-	
7.	Ashok Kumar Giria S/o Fateh Chand Giria 741-B, Gali Arya Samaj, Gandhi Nagar, Delhi-31 (Business)	Sd/-	

Place : Delhi

Dated : 31.01.94