

ARTICLES OF ASSOCIATION
OF
JOLLY PLASTIC INDUSTRIES LIMITED

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

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

INTERPRETATION

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

Interpretation clause.

(a) 'the Act' or 'the said Act' means 'The Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being and from time to time in force.

'the Act' or 'the Said Act'

(b) 'Auditors' means and includes those persons appointed as such for the time being by the Company.

'Auditors'

(c) '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 or the Directors of the Company collectively.

'the Board' of 'the Board of Directors'

(d) 'Capital' means the share capital for the time being raised or authorised to be raised for the purposes of the Company.

'Capital'.

(e) 'The Company' or 'this Company' means **JOLLY PLASTIC INDUSTRIES LIMITED.**

'the Company' or 'this Company'.

(f) 'Debenture' includes debenture- stock and 'Debenture Holder' means the registered holder means the registered holder from time to time of the Debentures of the company

(g) 'Directors' means the Directors for the time being of the Company or, as the case may be, the directors assembled at the Board.

(h) 'Dividend' includes Bonus

(i) Words importing the masculine gender also include the feminine gender.

(j) 'Member' means the duly registered holder from time to time of the shares of the company and includes the subscriber of the Memorandum of the Company.

(K) 'Meeting' or 'General Meeting' means a meeting of Members duly called and constituted in accordance with these Articles and any adjourned holding thereof.

(l) 'Annual General Meeting' means a general meeting of the members held in accordance with the provisions of section 166 of the act and any adjourned holding thereof.

(m) 'Extra- Ordinary General Meeting' means a general meeting of the members (other than an Annual General Meeting) duly called and constituted and any adjourned holding thereof.

(n) 'Month' means a calendar month.

(o) 'office' means the registered office for the time being of the company

(p) 'Paid Up' includes credited as paid up.

(q) 'Persons' includes firms, corporations as well as individuals.

(r) 'Register of Members' means the Register of Members to be kept pursuant to the Act.

(s) 'The Registrar' means the Registrar of Companies of the state in which the office of the company is for the time being situate.

(t) 'Secretary' means any individual possessing the prescribed qualifications appointed to perform the duties which may be performed by a secretary under the act and any other ministerial or administrative duties

(u) 'Seal' means the Common Seal for the time being of the Company

v) 'Share' means share in the share capital of the company and include stock except where a distinction between stock and share is expressed or implied

(W) Words importing the singular number include, where the context admits or requires, the plural number and vice versa.

(X) 'Ordinary Resolution' and 'Special Resolution' shall have the meaning assigned thereto by section 189 of the Act.

(Y) 'Year' means the calendar year and 'financial year' shall have the meaning assigned thereto by section 189 of the Act.

(Z) 'Written' and 'in writing' shall include printing, Lithography, and any other modes or modes of representing or reproducing words in visible form.

The marginal notes used in these articles shall not effect the construction thereof.

Save as aforesaid any words or expressions defined in the act shall, unless repugnant to the subject or context where the same meaning in this articles

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 any member it is requested within seven days of requirement, subject to the payment of fee of Rs. 1 for each copy.

4. The company shall not commence business or exercise any borrowing powers until the requirement of section 149 of the act shall have been complied with.

CAPITAL

5. the authorized share capital of the company is Rs. 12,00,00,000/- (Rupee twelve Crores Only) divided into 100,00,000/- (One Crore Only) equity shares of Rs. 10/- (Rupees Ten Only) each and 20,00,000 (Twenty Lacs) Preference Shares of Rs. 10/- (Rupee Ten Only) each with the rights, privileges and conditions attached thereto as per the relevant provision contained in that behalf in these articles and the legislative provisions for the time being enforced in this behalf and with power to increase or reduce the capital and to divide the shares in the capital of the company for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with this articles and the legislative provisions for the time being enforced in this behalf and to vary, modify, abrogate any such rights, privileges, or conditions in such manner as may for the time being permitted by the act. or provided by the articles.

5A. Subject to the provisions of Sections 80, 80A and other applicable provision of the Act and those contained in clause V of Memorandum of Association, the Company may issue Preference shares whether redeemable, convertible or partly redeemable/ convertible on the terms and conditions including issue price, redemption price, redemption premium, conversion terms etc. as may be decided by the Board.

5B. Subject to the provisions of the said Sections 80, 80A, the redemption of Preference shares may be affected on the terms and conditions of their issue, which may inter alia provide for that it may be converted into equity shares at the option of the holders or of the Company and subject thereto in such manner as the Directors may think fit.

5C. Redemption of preference shares under this provision of the Company shall not be taken as reducing the amount of its authorized share capital.

5D. Wherein pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue upto the nominal amount of the shares redeemed or to be redeemed as if these shares had never been issued and accordingly the share capital of the Company shall not, for the purpose of calculating the fees payable under section 601 of the Act be deemed to be increased by the issue of shares in pursuance of this sub-clause.

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- Restriction on allotment.
6. The Board shall observe the restrictions as to allotment contained in Section 69 and 70 of the Act, as the case may be, and shall cause to be filed the returns as to allotment according to Section 75 of the Act.
- Shares under the control of the Directors.
7. Subject to the provisions of the Act and of these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such 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 a 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 shares shall, in the first instance, be offered to the share-holders in proportion to the paid-up capital at the date held by the share holder unless the Company in General Meeting by Special Resolution resolves to the contrary and PROVIDED FURTHER that the option, or right to call of shares shall not be given to any person or persons without the sanction of the Company in General Meeting by a Special Resolution.
- 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 that 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 proportions and on such terms and conditions and either at a premium or at par, or, (subject to compliance with the provisions of Section 79 of the Act), at a discount, at 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 the Act, at a discount, such option being exercisable at such times and for such consideration as may be directed by such general meeting or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares, subject to any direction given by the general meeting as aforesaid the provision of 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 payment or part payment for 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 otherwise than for 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.

10. The shares in the capital of the Company shall be numbered progressively according to their several denominations and except in the manner hereinafter mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Shares to be numbered progressively.

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 on the Register of Members shall for the purpose of these Articles be a member.

Acceptance of shares.

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, 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.

Deposit and calls etc. to be a debt payable immediately.

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

Instalments on shares to be duly paid.

14. Except when required by law and in particular by Section 187 C of the Act, or ordered by a Court of Competent jurisdiction, the Company shall not be bound to recognise any person as 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 interest in any fractional part of a share, or (except only as by these Articles or as ordered by a Court of competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

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

UNDERWRITING AND BROKERAGE

15. The Company may, subject to the provision of Section 76 and other applicable provision (if any) of the Act, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the Company but so that the 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 1/2% of the price at which the debentures are issued. Such Commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way

Commission for placing shares, debentures, etc.

and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

CERTIFICATES

Certificate of shares.

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 whole-time 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 certificates 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 Directors 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 certificates of title to 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 Certificates.

17. Every member or allottee of share(s) shall be entitled without payment to receive at least one certificate under the Seal of the Company for each lot of fifty shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve, specifying the number of 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 and on surrender to the Company of its letter of allotment or of its fractional coupons of requisite value; provided that if the letter of allotment or certificate issued is lost or destroyed, the Board may, if the Directors so approve, 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 such evidence. In case of issues against letter of acceptance or renunciation or in case of Bonus Shares, the Board may issue certificates for less than 50 Shares.

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, complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provide and the Company shall otherwise comply with the requirements of Section 113 and other applicable provisions (if any) of the Act.

As to issue of new certificate, for splitting up and consolidation and in place of those defaced,

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 cages on the reverse

for recording transfers have been fully utilised, unless the certificate in lieu of which they are issued are surrendered to the Company. The Company may not charge any fees/charges for this purpose. However, no duplicate certificates shall be issued in lieu of those that are lost or destroyed without the prior consent of the Board 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 in investigating evidence as the Board thinks fit.

lost or
destroyed.

(b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of Share Certificate No.". The word 'Duplicate' shall be stamped or punched in bold letters across the face of the share certificate.

(c) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose, the Secretary or other persons aforesaid shall be responsible for rendering an account of these forms to the Board.

(d) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and the safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-article (c).

(e) All the books and documents referred to in sub-article (d) shall be preserved in good order permanently.

CALLS

20. The Board may, from time to time, (by a Resolution passed at the meeting of the Board and not by Resolution by circulation) but subject to the terms on which any charge may have been issued and subject to the conditions of allotment, 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 capital value of the shares or by way of premium) and each member shall pay the amount of every call so made on him to the person and at the times appointed by the Board. A call may be made payable by instalments.

Board may
make calls.

21. Where any calls are made on 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.

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

22. At least thirty days' notice of every call, otherwise than on allotment, shall be given specifying the time of payment, and

Notice of call.

if payable to any person other than the Company, the name of the person to whom the call shall be paid. A call may be revoked or postponed at the discretion of the Board.

Call to date
from resolu-
tion.

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

Directors may
extend time.

24. The Board may from time to time, at their discretion extend the time for payment of any call, and may extend such time as to payment of call for any of the members who, for residence at a distance or other cause, the Board may deem entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour.

Sums deemed
to be calls.

25. If by the terms of issue of any share, any amounts are made payable on allotment or 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 Board and of which due notice has been given and all the provisions herein contained in respect of calls shall relate and apply to such amount or instalment accordingly.

When interest
on call or
instalment
payable.

26. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, or any such extension thereof as aforesaid, the holder for the time being or allottee of the share(s) in respect of which a call shall have been made or the instalment shall be due shall pay interest on the same at such rate as shall be fixed from time to time as the Board shall fix from the day appointed for the payment thereof to the time of actual payment but the Board may waive payment or recovery of such interest wholly or in part from any member.

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 moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company or 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 Company from thereafter proceeding to enforce a 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 at the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares, it shall be sufficient to prove that the name of the member in respect of whose shares money is sought to be recovered is entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly posted

to the member or his representative in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

29. The Board may, if it thinks fit, agree to and 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 and at any time thereafter as exceeds the amount of calls then made upon and due in respect of the shares on account of which such advance has been made, the Board may pay or allow interest at such rate as the member paying such sum in advance and the Board agree upon and the Board may agree to repay at any time any amount so advanced or 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 profits or dividend or to voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

Payment in advance of calls may carry interest.

FORFEITURE, SURRENDER, LIEN

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, or any such extension thereof as aforesaid the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid 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 shares by transmission requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (Legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

If call or instalment not paid notice may be given.

31. The notice shall name a day (not being less than 14 days from the date of the notice) on or before which and the place or places at which such call, instalment or such part thereof and such other moneys as aforesaid and such interest therein at such rate as the Board shall determine from the day on which such call, instalment or other moneys ought to have been paid 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.

Terms of notice.

he Ar sh:	Shares to be forfeited in default of payment.	32. If the requirements 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 calls or instalments, interest and expenses and other moneys due in respect thereof, be forfeited by a resolution of the board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
Na pti of	Entry of forfeiture in register of members.	33. When any shares 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 the forfeiture shall be given to the member in whose name they stood immediately prior to the forfeiture but no forfeiture shall be in any manner invalidated by any omission or neglect to make any such entry or to give such notice as aforesaid.
1 K P,	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 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.
SC M	Directors may annul forfeiture.	35. The Board may, at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
K D	Shareholder still liable to pay money owing at the time of forfeiture and interest.	36. Any person whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the board may determine and the board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so.
B	Effect of forfeiture.	37. The forfeiture of a share shall involve the extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company in respect of the shares forfeited and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.
2 AR PA	Surrender of shares.	38. The board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as it thinks fit.
SO MC	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 of 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 the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and no equitable interest in any share shall be
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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 a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Provided that the board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

40. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until the expiration of seven days after a notice in writing of the intention to sell shall have been served on such member, his executors or administrators or other legal representatives as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after service of such notice. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

As to enforcement of lien by sale.

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

Application of proceeds of sale.

42. A certificate in writing under the hands 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, and that the forfeiture of the share was made by a resolution of the Board to that effect shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to such share.

Evidence of forfeiture

43. Upon any sale after forfeiture or for enforcing a lien in the exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register 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 off 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 an irregularity or invalidity in the proceedings in 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

Title of purchaser and allottee of forfeited shares or shares sold in exercise of lien.

of such shares, the validity of the sale shall not be impeached by any person.

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

TRANSFER AND TRANSMISSION OF SHARES

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.

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 certificates in exchange for those which are subdivided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or rendered useless.

47. The instrument of transfer of any share shall be in writing and in such form as may be prescribed. All the provisions of Section 108 of the Act shall be duly complied with in respect of all transfers of shares and the registration thereof.

48. (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or by the transferee.

(2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

(3) For the purpose of sub-clause (2) above, notice to the transferee shall be deemed to have been 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.

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

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 transferor and by or on behalf of the transferee and specifying the name, address and

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Cancellation
of share
certificates in
respect of
forfeited
shares.

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Register of
transfer.

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Register of
renewed and
Duplicate
Certificates.

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Form of
transfer.

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Application
for transfer.

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Instrument of
transfer to be
executed by
the transferor
and transferee.

Transfer not
to be registered
except on pro-
duction of
instrument of
transfer.

occupation, if any, of the transferee, has been delivered to the Company within the prescribed period along with the certificate relating to the shares, or if no such share certificate is in existence, along with the letter of allotment of the shares. PROVIDED that, where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may if the Board thinks fit, 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.

51. No share shall in any circumstances be subscribed for or transferred to any infant or minor or person of unsound mind.

52. (A) Subject to the provisions of Section 111 of the Act, the Board may, at its absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares and shall not be bound to give any reason for such refusal and in particular may so decline in respect of shares upon which the Company has a lien of whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that the proposed transferee is already a member. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except as stated hereinabove. The registration of the transfer shall be conclusive evidence of the approval by the Board of the transferee.

Directors may
refuse to
register
transfer.

(B) Without prejudice to the generality of the foregoing sub-Article (A), the Board may refuse an application for transfer of less than 50 equity shares of the Company subject, however, to the following exceptions :

(i) Transfer of Equity Shares made in pursuance of any statutory provision or an order of a competent Court of Law ;

(ii) The transfer of the entire Equity Shares by an existing Equity Shareholder holding less than 50 Equity Shares by a single transfer to a single or joint names.

(iii) Transfer of the entire holding of Equity shares of a member, which is less than 50 to one or more transferees provided that the total holding of the transferee or each of the transferees as the case may be will not be less than 50 shares after the said transfer :

(iv) The transfer of not less than 50 Equity Shares in the aggregate in favour of the same transferee in two or more transfer deeds, submitted together within which one or more relates to the transfer of less than 50 Equity Shares.

Notice of refusal to be given to transferor and transferee.

53. If the Company refuses to register the transfer of a 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 transferee and transferor or the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act shall apply.

Transfer by legal representative.

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

Custody of instrument of transfer.

55. The instrument of transfer after registration shall 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 Board may cause to be destroyed all transfer deeds/instruments of transfer lying with the Company for a period of ten years or more.

Closure of transfer books

56. The Board 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-holder at such time or times and for such period or periods of time not exceeding in the whole 45 days in each year and not exceeding 30 days at a time, as to it may deem fit.

Title of shares of deceased holder.

57. The executors or administrators or a holder of a Succession Certificate in respect of the estate of a deceased member, not being one of two or more joint holders shall be the only person recognised by the Company as having any title to the shares registered in the name of such deceased 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 as the case may be, from a duly constituted Court in India, provided that in any case where the Board in its absolute discretion thinks fit, it may dispense with the production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and under Article 58 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 Article.

58. Subject to the provisions contained in Article 57 hereof, any person becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these Articles, 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 purports to act under this Article or of his title to the shares as the Board thinks sufficient may, with the consent of the Board (which it shall not be under any obligation to give), either be registered as a member in respect of such shares, or elect, to have some

person nominated by him and approved by the Board registered as a member in respect of such shares provided that if such person shall elect to have his nominee registered, he shall rectify his election by executing in favour of his nominee an instrument of transfer in accordance with these Articles, and until he does so he shall not be free from any liability in respect of such shares. This Article is hereinreferred to as "the Transmission Article".

59. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Refusal to register in case of transmission.

60. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not before being registered as a member in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Person entitled may receive dividend without being registered as member.

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

Board may require evidence of transmission.

62. The Board shall not charge any fee for registration of transfer or transmission or power of attorney in respect of shares or debentures of the Company.

No fee on transfer or transmission or power of attorney.

63. The Company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest (to or in such shares notwithstanding that the Company may have 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 thereto in any book of the Company, and save as provided by section 187-C of the Act, the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board so think fit.

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

CONVERSION OF SHARES INTO STOCK

he Ar sh	Conversion of shares into stock and re- conversion.	64. The Company by ordinary resolution in General Meeting may : (a) Convert any paid-up shares into stock ; and (b) Re-convert any stock into paid-up shares of any denomination.
Na pt. of	Transfer of stock.	65. The holder 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 circum- stances 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.
1 K P. SO M K D B	Rights of stock-holders.	66. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advant- ages 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 regards dividends), participation in the profits of the Company and in the assets on winding up shall be conferred by an amount of stock which would not, if existing shares have conferred that privilege or advantage.
2 An PA SO MC	Articles to apply to stocks.	67. Such of the articles of the Company (other than those relating to share warrants) as are applicable to paid-up shares shall apply to stock and the words 'share' and 'shareholder' in these regulations shall include stock and stockholder respectively.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

K L F	Increase of Capital.	68. 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 new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct and if no such direction be given, as the Board 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 General Meetings of the Company in conformity with Sections 87 and 88 of the Act. Whenever the capital of the Com- pany has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.
	Right of Equity Share holders to further issue of capital.	69. (1) Where, 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) it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall

be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion (as nearly as circumstances admit) to the capital paid up on those shares at the date, and such offer shall be made in accordance with the provisions of Section 81 of the Act. Provided that notwithstanding anything hereinbefore contained the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are the 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 Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do vote in person or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.

(2) Nothing in this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares in the Company (whether such option is conferred by Article 8 or otherwise) provided that the terms of the issue of such debentures or of 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 of the loans as the case may be and also the same has either been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by the Government in this behalf.

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

Further issue of capital to be governed by same rules.

71. (1) Subject to the provisions of Section 80 of the Act and Article 8 hereof the Company shall have the power to issue preference shares which are, or at the option of the Company, are liable to be redeemed and the redemption may be effected in the manner and subject to the terms and provisions of its issue.

Redeemable Preference Shares.

(2) On the issue of redeemable Preference Shares under the provisions of Clause (1) hereof, the following provisions shall take effect :

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(a) no such shares shall be redeemed except out of profits of the Company which would be otherwise available for dividend or out of the proceeds of a fresh issue of shares, made for the purpose of 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 profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the 'Capital Redemption Reserve Account' a sum equal to the nominal amount of the shares 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 paid up share capital of the Company.

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Restrictions on purchase by the Company of its own shares.

72. (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 73 and in pursuance of Sections 100 to 104 or Sections 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.

73. The Company may, subject to the provisions of Sections 78, 80, 100 to 105 (both inclusive) of the Act, from time to time by Special Resolution reduce its share capital and any Capital Redemption Reserve Account or other Premium Account in any manner for the time being 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. This Article is not to derogate from any power the Company would have if it were omitted.

Consolidation, division and sub-division.

74. Subject to the provisions of Section 94 of the Act, the Company may in the General Meeting alter the conditions of its Memorandum as follows :

(a) Consolidate and divide all or any of the share capital

into shares of larger amounts than its existing shares ;

(b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amounts 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.

75. The rights conferred upon the holders of 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 or issue of further shares ranking pari passu therewith.

Issue of further pari passu shares not to affect the rights of shares already issued.

MODIFICATION OF RIGHTS

76. If at any time the share capital is divided into different classes, the rights and privileges 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, 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-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such Meeting.

Rights attached to any class of shares may be varied.

JOINT-HOLDERS

77. 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 holders

(a) the Company shall be entitled to decline to register more than four persons as the holders of any shares; the joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

(b) 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 Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder

from any liability in respect of the shares held by him jointly with any other person.

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(c) Only the person whose name stands first in the Register of Members may give effectual receipts for any dividends or other moneys payable in respect of such share.

(d) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 207) from the Company and any documents served on or sent to such person shall be deemed service on all the joint-holders.

(e) 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 that one of such persons so present whose name stands first or higher (as the case may be) on the Register of members in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to be present at the meeting. Provided always that a joint-holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by proxy although the name of such joint holder present by proxy stands first or higher in the Register of Members 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.

BORROWING POWERS

78. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Board shall have the power, from time to time at its 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 of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of moneys for the purposes of the Company provided that the total amount to be borrowed at any time together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business), shall not, without the consent of the Company in General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose. 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

Power to borrow

the loan such as short term loans, 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.

79. Subject to the provisions of the Act and these Articles the Board may, by a resolution passed at a meeting of the Board and not by resolution by circulation, secure the payment of such sum or sums in such manner as it thinks fit and particularly by issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Conditions on which moneys may be borrowed.

80. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such consideration as it shall consider to be for the benefit of the Company.

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

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

Securities may be assignable free from equities.

82. 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 rights, privileges and conditions as to redemption, surrender, drawings, allotment of shares as to attending (but not voting) at general meeting, as to appointment of Directors or otherwise. Provided that debentures with the right of allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting, accorded by a Special Resolution.

Condition on which bonds, debentures, etc. may be issued.

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

Mortgage of uncalled capital.

84. 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 Board may execute or cause to be executed any mortgage,

Indemnity may be given.

charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from all loss in respect of such liability.

Register of Mortgages, etc. to be kept.

85. 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 Section 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 Company Law Board or the Registrar so far as they are to be complied with by the Board. The Company shall, if at any time it issues debentures, keep Register and Index of Debenture-holders in accordance with Section 152 of the Act.

GENERAL MEETINGS

Statutory meeting.

86. 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 at which the Company is entitled to commence business) as the Directors may determine, and in connection therewith, the Directors shall comply with the provisions of Section 165 of the Act.

Annual General Meeting.

87. (1) Subject to the provisions of Section 166 and 210 of the Act, the Company shall, in addition to any other meeting, hold a general meeting (hereinafter 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 its incorporation of the Company and if such General Meeting is held within that period, it shall not be necessary for the Company to hold an Annual General Meeting in the year of its incorporation or in the following year, but subject to the aforesaid provisions, the Annual General Meeting shall be held at least once in every calendar year and 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 Companies shall have for any special reason extend 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 fixed by the Registrar.

(2) Every Annual General Meeting shall be called at a time during business hours and on such day (not being public holiday) as the Board 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 as the Board may determine. 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.

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88. (1) The Board of Directors may call an Extraordinary General Meeting whenever they think fit.

Extraordinary
General
Meeting.

(2) The Board of Directors shall, on the requisition of such number of members of the Company holding, in regard to any matter at the date of deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company upon which all calls or other moneys then due shall have been paid as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call on Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act and the provisions hereinbelow contained shall be applicable to such meeting.

(3) 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.

(4) The requisition may consist of several documents of the like form, each signed by one or more requisitionists.

(5) 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.

(6) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matter, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days' from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to in Clause (2) above whichever is less.

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

(8) 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.

89. (1) A General Meeting of the Company may be called by giving not less than twenty-one days' notice in writing. PROVIDED, that so far as members whose address registered in the books of the Company is outside India are concerned, the notice of the General Meeting shall be sent to such member at their

Notice of
Meeting.

address outside India for the time being registered with the company, atleast 21 clear days before the date of the said General Meeting of the Company.

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(2) However a General Meeting may be called giving shorter notice than 21 days, if the consent is accorded thereto.

(i) in the case of an Annual General Meeting by the members entitled to vote thereat; and

(ii) in the case of other meeting, by members of the Company holding not less than 95 per cent of such of the paid-up share capital of the Company as have a right to vote at that meeting.

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Contents of
Notice.

90. (1) Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting and shall contain a statement of the business to be transacted thereat. The Notice/Agenda of such General Meeting shall be in English and shall not contain a miscellaneous designation such as "other matters".

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

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

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

(ii) the declaration of dividend;

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

(iv) the appointment 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 of the Manager, if any, of the Company provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relating to, or affects, any other Company, the extent of the shareholding interest in the 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 the paid-up share capital of that other Company.

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Business.

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

92. 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 prepaid letter addressed to them by name; or by the title of the Representative 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 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 a newspaper circulating in the neighbourhood of the registered office of the Company under sub-section (3) of Section 53 of the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Service of notice.

93. 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.

Notice to be given to the Auditors.

94. 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 resolutions passed thereat.

As to omission to give notice

95. (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 days on which the notice is served or deemed to be served and the day of the meeting.

Resolutions requiring special notice.

(2) The Company shall, immediately after 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 it gives 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 the Articles, not less than seven days before the meeting.

PROCEEDINGS AT GENERAL MEETINGS

here Arti shan	Quorum at General Meeting.	96 Five members entitled to vote and present in person shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the meeting.
Nam ptior of S	Proceedings when quorum not present.	97 If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting, if convened on the requisition of Members shall be 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 Board may by notice to the member appointed. If at such adjourned meeting a quorum be not present within half an hour, those members present shall be a quorum and may transact the business for which the meeting was called.
1 KISI PAT	Business at adjourned meetings.	98 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.
SON MO.	Chairman.	99. 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 is unwilling to act, the Directors present may choose one of their number as Chairman, and if no such Director be present or if all the Directors present decline to take the Chair, the members present shall choose one of their members to be the Chairman of the meeting.
2 ARV PAT	Business confined to election of Chairman.	100. (1) No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
SON MOF		(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 or a show of hands exercising all the powers of the Chairman under the Act and these Articles.
Ka DF		(3) If some other person is elected Chairman as result of the poll, he shall be Chairman for the rest of the meeting.
Bl	Chairman with consent may adjourn meeting.	101. 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 town or village in which the Registered Office of the Company is situated.
	Notice to be given where a meeting is adjourned for thirty days or more.	102. 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 of the business to be transacted at an adjourned meeting.

103. 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 on a 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 on a show of hands been carried, either unanimously or by a particular majority, or lost 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 recorded in favour of or against such Resolution.

Evidence of the passing of a resolution when poll not demanded.

104. 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 at least five members having the right to vote on the resolution and 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 or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company, conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid-up on all the shares conferring that right. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Demand for poll.

105. 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 situate and at such time not being later than forty-eight hours from the time when the demand was made as the Chairman may direct. Subject to the provisions of the Act, the Chairman of the meeting shall have 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 or adjournment or otherwise and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Time and manner of taking poll.

106. When a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have the power, at any time before the result of the poll is declared, to remove a scrutineer from Office and fill vacancies in the Office of scrutineers arising from such removal or from any other cause. Of the 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.

Scrutineers at poll.

V heret Artic share	Demand for poll not to prevent transaction of other business.	107. The demand for a poll shall not prevent the continu of a meeting for transaction of any business other than question on which the poll has been demanded.
Name ption of St	Resolution how decided in case of equality of votes.	108. In the case of an equality of votes, whether on a of hands or on a poll, the Chairman of the meeting at w the show of hands has taken place, or at which the po demanded, shall be entitled to a second or casting vote addition to the vote or votes to which he may be entitle a member.
1 KISI PAT SON MO Kal DH	Reports statements, and Registers to be laid on the table.	109. At every Annual General Meeting of the Com there shall be laid on the table the Directors Report and au Statement of Accounts, Auditors' Report (if not already inc rated in the Statement of Accounts), the Proxy Register proxies and the Register of Directors and Managing Direc or Manager's shareholding maintained under Section 302 the Act. The Auditor's Report shall be read before the Com in General Meeting and shall be open to inspection by member of the Company.
BU	Registration of certain Resolutions and agreements.	110. (1) A copy each of the following resolutions (toget with a copy of the statement of material facts annexed u Section 173 to the notice of the meeting in which such resolu has been passed) and agreements shall within thirty days o the passing or making thereof, be printed or typewritten duly certified under the signature of an Officer of the Com and filed with the Register:
2 AR PA SON MO K D E		<p>(a) special resolutions;</p> <p>(b) resolutions which have been agreed to by all members of the Company but which, if not so ag to would not have been effective for their pur unless they had been passed as special resolut</p> <p>(c) resolutions of the Board or agreements relat to the appointment, reappointment or the ren of the appointment or variation of the terms of app ment of a Managing Director;</p> <p>(d) resolutions or agreements which have been ag to by all the members of any class of sharehol but which, if not so agreed to, would not have b effective for their purpose unless they had been pa by some particular majority or otherwise in some part lar manner; and all resolutions or agreements w effectively bind all the members or any class of sh holders though not agreed to by all those memb</p> <p>(e) resolutions requiring the Company to be wo up voluntarily passed in pursuance of Section 484 the Act;</p>

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(f) resolutions passed by the Company according consent to the exercise by its Board of Directors of any of the powers under Clause (a) Clause (d) and Clause (e) of sub-section (1) of Section 293 of the Act;

(g) resolutions passed by the Company approving the appointment of sole selling agents under Section 294 or 294A of the Act; and

(h) terms and conditions of appointment of sole selling agents or other persons appointed under Section 294 or Section 294A of the Act.

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

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

Minutes of
General
Meeting.

112. The books containing the aforesaid minutes shall be kept at the Registered Office and be open during business hours to the inspection of any member without charge subject to such reasonable 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 had made a request in that behalf to the Company, with a copy of the minutes on payment of thirty-seven paise for every one hundred words or fractional part thereof required to be copied.

Inspection of
Minutes book
of General
Meetings.

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

Publication of
report of pro-
ceedings of
General Meetings.

VOTES OF MEMBERS

heret Artic share	Votes may be given by proxy or attorney.	114. Subject to the provisions of the Act and these Article votes may be given either personally or by proxy or in t case of a body corporate also by a representative duly authoris under Section 187 of the Act.
Nam ptior of Si	Votes of members.	115. Subject to the provisions of the Act:- (a) On a show of hands, every holder of equity shar entitled to vote and present in person shall have o vote and upon a poll every holder of equity shar entitled to vote and present in person or by pro shall have one vote for every equity share held him. (b) every holder of a perference share in the capit of a Company shall be entitled to vote at a Gene Meeting of a Company only in accordance with t limitations and provisions laid down in Section 87 of the Act.
1 KISI PAI	Votes in respect of shares of deceased and insolvent members.	116. Any person entitled under the Transmission Artic (Article 58 hereof) to transfer any shares may vote at a General Meeting in respect thereof as if he was the register holder of such shares provided that at least forty-eight ho before the time of holding of the meeting or adjourned meeti as the case may be at which he proposes to vote, he sh satisfy the Directors of his right to transfer such shares a give such indemnity, if any, as the Directors may require un the Directors shall have previously admitted his right to v at such meeting in respect thereof.
SOM MO	Vote of members of unsound mind and a member who is a minor.	117. A member of unsound mind or in respect of whom Order has been made by any Court having Jurisdiction in lunac may vote whether on a show of hands or on a poll, by his comm tee or other legal guardian and any such committee or guardi may, on a poll, vote by proxy. If any member be a minor, t vote in respect of his share or shares shall be by his guardi or any one of his guardians, if more than one to be select in case of dispute, by the Chairman of the meeting.
Kal DH	No member to vote unless calls are paid up.	118. Subject to the provisions of the Act, no member sh be entitled to vote at any General Meeting either persona or by proxy or be reckoned in a quorum whilst any call other sum shall be due and payable to the Company in respe of any of the shares of such member or in regard to whi the Company has, and has exercised, any right of lien.
BU	Right of member to use his vote	119. On a poll taken at a meeting of the Company, a memb entitled to more than one vote, or his proxy or other pers entitled to vote for him, as the case may be need not, if votes, use all his votes or cast in the same way all the vot he uses.
2 AR PA		
SOM MO		
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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. A member present by proxy shall be entitled to vote only on a poll.

Proxies.

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.

Appointment of proxy.

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. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time.

Deposit of instrument of proxy.

(2) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat, shall be entitled, during the period beginning twentyfour 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.

123. An instrument appointing a proxy shall be in such form as may be prescribed by the Act from time to time.

Form of proxy.

124. If any such instrument be confined to the object of appointing a proxy for voting at a meeting of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company, and if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Custody of the instrument of proxy.

125. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or subsequent insanity of the principal or revocation of the proxy under which such proxy was signed or the transfer of the shares in respect of which the vote is given provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received at the Office of the Company before the meeting.

Validity of votes given by proxy notwithstanding death of member etc

here Arti shar	Time for objections to vote.	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 is 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.
Name of S	Chairman of any meeting to be the judge of validity of any vote.	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 or given at such meeting and subject as aforesaid, the Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
1 KIS PA	Number of Directors.	DIRECTORS
SOI MC		128. Subject to the provisions of Section 259 of the Act the number of Directors (excluding alternate directors) shall not be less than three, and unless otherwise determined by the Company in General Meeting, more than twelve (excluding Special/Financial Directors).
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BL	Special and financial Directors.	129. The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation, that he or it shall have the right to appoint his or its nominee or nominees on the Board of Directors of the Company upon such terms and conditions as the Company may determine. Such nominees and their successors in office appointed under this Article shall be called Special Directors of the Company.
2 AR P/		129(a) Sarvshri Arvindkumar Mohanlal Patel, Kantilal Lavjibhai Antala, Sunilkumar Jainlilal Zinzuwadia shall be the permanent Directors of the Company and not liable to retire by rotation and they shall hold the office till such time they resign or expire.
SOI MC		
K E		
I		130. The Special Directors appointed hereof shall be entitled to hold office until requested to retire by the person, firm or corporation which may have appointed him/them and they will not be liable to retire by rotation. A Special Director shall not be required to hold any qualification shares. As and when a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who or which appointed such Director may appoint any other Director in his place. A Special Director may, at any time by notice in writing to the Company resign his office. Subject to the provisions as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

130. (a) Subject to the provisions of the Companies Act, 1956, and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Financial Company or Body or Financial Corporation or Credit Corporation or Bank or any Insurance Corporation (each such financing Company or Body or Financial Corporation, Credit Corporation or Bank or any Insurance Corporation is hereinafter referred to as "Financial Institution") out of any loans granted by the Financial Institution to the Company or so long as the Financial Institution continues to hold debentures in the Company by direct subscription or private placement, or so long as the Financial Institution hold 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 Financial Institution on behalf of the Company remain outstanding the Financial Institution shall have right to appoint from time to time its nominee/s as a Director or Directors (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 the Nominee Director/s so appointed, and at the time of such removal and also in the case of death or resignation of the Nominee Director/s appointed at any time appoint any other person/s in his/their place/s and also fill any vacancy which may occur as a result of such Director/s ceasing to hold office for any reasons whatsoever such appointment or removal shall be made in writing on behalf of the Financial Institution appointing such Nominee Director/s and shall be delivered to the Company at its registered office.

(b) The Nominee Director/s shall not be required to hold any qualification shares in the Company to qualify him/them for the office of a Director/s nor shall he/they be liable to retirement by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. Subject to the aforesaid, the said Nominee Director/s shall be entitled to same rights and privileges and the subject to the same obligations as any other Director of the Company.

(c) The Nominee Director/s so appointed shall hold the office only so long as any moneys remain owing by the Company to the Financial Institution or so long as the Financial Institution holds debentures in the Company as a result of direct subscription or private placement or so long as the Financial Institution holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any guarantee, is outstanding and the Nominee Director/s so appointed

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in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Financial Institution is paid off or on the Financial Institution ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Financial Institution.

(d) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and the Meeting of the Committee of which the Nominee Director/s is/are member/s as also the Minutes of such meetings. The financial institution shall also be entitled to receive all such notices and minutes.

(e) The Company shall pay to the Nominee Director sitting fees and expenses to which the other Directors of the Company are entitled. Provided that if the Nominee Director is an officer of the Industrial Development Bank of India (IDBI) the sitting fees in relation to such Nominee Director shall accrue to IDBI and the same shall accordingly be paid by the Company directly to the IDBI. Any expenses that may be incurred by the Financial Institution or such Nominee Director/s in connection with his/their appointment of Directorship shall be paid by the Company. The IDBI or the Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

(f) The Nominee Director/s shall notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.

Appointment
of Debenture
Directors.

131. Any Trust Deed for securing debentures or debenture stock may, if so arranged, provide for the appointment from time to time by the Trustees thereof or by the holders of the debentures or debenture stock of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture-stock from time to time to remove any Director so appointed. The Director appointed under this Article 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 Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or, subject to the provisions of the Act, be removed by the Company. The Trust Deed may

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

132. The Board may appoint any person who is recommended for such appointment by a Director (hereinafter called "the Original Director") to act as an Alternate Director for him during his absence for a period of not less than three months from the State in which the Meetings of the Board are ordinarily held and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of Meetings of the Directors and to vote thereat accordingly and to the same rights and privileges as the Original Directors. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the said State. If the term of office of the Original Director is determined before he so returns to the State as aforesaid any provisions in the Act or in this Article for the automatic re-appointment of a Retiring Director in default of any other appointment shall apply to the Original Director and not to the Alternate Director.

Alternate
Director.

133. Subject to the provisions of the Act and these Articles if the office of any Director is vacated before his term of office will expire in the normal course, the resulting casual vacancy may be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if the vacancy had not occurred.

Casual
Vacancy.

134. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a person or persons as an Additional Director or Directors. Such Additional Director shall hold office only upto the date of the next Annual General Meeting of the Company, but shall be eligible for re-election at that meeting as a Director, provided that, the number of Directors and the Additional Directors together, shall not exceed the maximum strength fixed by the Board by Article 128 thereof.

Appointment
of Additional
Directors.

135. A Director of the company shall not be bound to hold any qualification shares.

Qualification
of Directors.

136. Subject to the provisions of Sections 198, 309, 310, and 311 of the Act, the remuneration payable to the Directors of the Company shall be as hereinafter provided.

Remuneration
of Directors.

(1) Subject to the provisions of the aforesaid Section each of the Directors of the Company (inclusive of the Chairman) shall be entitled to payment of a sum not exceeding Rs.250/- (Rupees Two Hundred and Fifty Only) for each meeting of the Board or of one or more Committees of the Board attended by him or such

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lesser amount as the Directors may agree to accept from time to time. The Directors shall be paid such further remuneration, if any, either on the basis of percentage on the net profits of the Company or otherwise, as the Company in General Meeting shall from time to time determine, and such additional remuneration and further remuneration shall be divided amongst the Directors in such proportion and manner as the Board may from time to time determine, and in default of such determination, shall be divided amongst the Directors equally.

(2) The Board of Directors may in addition allow and pay to any Director who is not a bona fide resident of the place where a meeting of the Board or Committee or a General Meeting of the Company is held, and who shall come to that place for the purpose of attending the meeting, such sum as the Board may consider fair compensation for his travelling, hotel, boarding, lodging and other expenses incurred in addition to his fee for attending or returning from meetings of the Board of Directors or any Committee thereof or General Meetings of the Company.

(3) Subject to the limitations provided by the Act and this Article, if any Director shall be called upon to go or reside out of his usual place or residence or to attend to the company's business or otherwise perform extra services outside the scope of his ordinary duties, the Board may arrange with such Director for such special remuneration for such service either by way of salary, commission, or the payment of a stated sum of money, as they shall think fit, in addition to or in substitution of his remuneration above provided, and all the Directors shall be entitled to be paid or reimbursed or repaid any travelling, hotel and other expenses incurred or to be incurred in connection with the business of the Company and also to be reimbursed all fees for filing all documents which they may be required to file under the provisions of the Act.

137. The Continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions of the Act, if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Continuing Directors may act for the purpose of increasing the number of Directors to the minimum fixed or for summoning a General Meeting of the Company.

138. (1) Subject to the provisions 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 notification in the Official Gazette removed the disqualification incurred by such failure; or

(e) he holds any office or place of profit under the Company or any subsidiary thereof in contravention of Section 314 of the Act; or

(f) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board 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 he 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 of 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 under the Act 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

(l) 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.

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

Directors may
contract with
Company.

139. (1) Subject to the provisions of sub-clauses (2), (3), (4) and (5) of this Article and the restrictions imposed by Article 146 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, underwriter of shares and debentures of the Company or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director, so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relationship thereby established, but it is hereby declared that nature of his interest must be disclosed by him as provided by sub-clauses (2), (3) and (4) hereof.

(2) Every Director who is in 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 sub-clause (3) hereof :

(a) In the case of a 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 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 in the proposed contract or arrangement, at the first meeting of the Board, held after he becomes so concerned or interested.

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

(3) For the purpose of this Article, a General Notice given to the Board or 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 such concern or interest in relation to any contract or arrangement so made. Such General Notice shall expire at the end of the financial year in which it is given but may be renewed for

a further period of one financial year at a time by a fresh Notice given in the last month of the financial year in which it would have otherwise expired. The General Notice as aforesaid and any renewal thereof shall be of no effect unless either it is given at a meeting of the Board of Directors or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

(4) Nothing contained in sub-clauses (2) and (3) hereof shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid up share capital in the other Company.

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

(i) to any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company;

(ii) to any contract or arrangement entered into 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 a Director thereof, he having been nominated as such director by the Company or in his being a member holding not more than two per cent of the paid up share capital of such company :

(iii) In case a notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.

140. (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 the contract or arrangements;
- (b) the names of the parties thereto;

Register of contracts in which Directors are interested.

- (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 as 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 then be signed by all the Directors present at the meeting.

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

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

(5) The Registers 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 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 fees in the case of the Register of Members.

Directors may
be Directors
of Companies
promoted by
the Company.

141. A Director of the Company may be, or become a Director of any company promoted by the 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, subject to the applicable provisions of the Act, be accountable for any benefits received as a Director or member of such company.

142. 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 Registrar in accordance with Section 303 (2) of the Act.

Disclosure by
Directors, etc. of
appointment.

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

Disclosure of
holdings.

144. No Director of the Company and no partner or relative of such Director, no firm in which such Director or a relative of such Director is a Director, or member, and no Director or manager of such a private company, shall hold any office or place of profit under the Company, or any subsidiary of the Company except as provided in and subject to the limitations and restrictions contained in Section 314 of the Act.

Holding of
office of profit
by Directors.

145. The Company shall observe the restrictions imposed on the Company in regard to grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions, if any, of the Act.

Loans to
Directors.

146. A Director of the Company or his relative, a firm in which such Director or relative is a partner, or any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company.

Contracts in
which Directors
are interested.

(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.

except as provided in and subject to the limitations and restrictions contained in Section 297 of the Act.

RETIREMENT OF AND ROTATION OF DIRECTORS

147. (1) Subject to the provisions of Section 255 of the Act, all Directors of the Company, (other than the Directors, if any, appointed pursuant to Article 129 & 130 and the Managing Director) shall be elected by the members in general meeting and

Retirement of
Directors by
rotation.

shall be liable to retire by rotation as hereinafter provided. The Directors shall be so appointed by the Company in general meeting and/or by the Board in accordance with the relevant applicable provisions of the Act and these Articles.

(2) Every 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 the number nearest to one-third shall retire from office.

Ascertainment of Directors retiring by rotation.

148. Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall remain in office until the conclusion of the meeting at which his re-appointment is decided or his successor is appointed.

Eligibility for re-election

149. Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for election.

Company to fill up vacancy.

150. Subject to the provisions of the Act, the Company at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Provisions in default of appointment

151. (1) If the place of the retiring 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 :-

(a) at that meeting or at the previous meeting a resolution for the re-appointment of such Director or Directors has been put to the meeting and lost.

(b) 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.

(c) he is or they are not qualified or he is or they are disqualified for appointment.

(d) a resolution whether special or ordinary, is required for their appointment or re-appointment by virtue of any provisions of the Act.

(e) Article 133 or sub-section (2) of Section 263 is applicable to the case.

152. (1) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting he or some member intending to propose him has, at least fourteen clear days before the meeting, left at the 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.

Notice to
candidature
for office of
Directors.

(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 signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the company, his consent in writing to act as a Director 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 at least two newspapers circulating in the City, town or village in which the Registered Office of the Company is situate 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 his term of 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 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 appointment signed and filed with the Registrar his consent in writing to act as such Director.

Individual
resolution for
Directors
appointment.

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

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

(2) Special notice as provided by Article 95 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 notice 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 and the Director concerned makes, with respect thereof, representation in writing to the Company (not exceeding a reasonable length) and requests its 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 Directors may (without prejudice to his right to be heard orally) that the representation shall be read out at the meeting. Provided that copies of the representation shall not be 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 has been appointed by the Company in General Meeting or by the Board in pursuance of Article 133 or Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed provided special notice of the intended appointment has been given under sub-clause (2) hereof. A director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.

(6) If the vacancy is not filled under Sub-clause (5) it may be filled as a Casual Vacancy in accordance with the provisions (in so far they are applicable) of Article 133 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 reappointed as a Director by the Board of Directors.

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

(a) As depriving a person removed thereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as Director, or

(b) as derogating from any power to remove a Director which may exist apart from this Article.

155. Subject to the provisions of the Act and these Articles, the Company may by ordinary 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 approval by the Central Government and shall become void if and in so far as it is disapproved by the Government.

The Company
may increase
or reduce
number of
Directors.

156. The Directors may meet together as a Board from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year, and they may adjourn and otherwise regulate their meetings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which has been called in compliance with the terms hereinmentioned could not be held for want of quorum.

Meetings of
Directors.

147. A Director or the Managing Director may at any time and the Secretary upon the request of a Director, shall convene a meeting of the Board. At least 14 clear days' notice of every meeting of the Board shall be given to each of the Directors, whether in or outside India, including their alternates, if any, by registered airmail, telex or telegram provided however that a meeting of the Board may be convened and held without any prior notice as aforesaid or on less than 14 clear days' notice with the prior written consent of all the Directors. Consent by telex or telegram shall constitute consent in writing for the purpose of this Article. Notice of every meeting of the Board shall be given to every Director for the time being in India at his usual address in India and in the case of Directors residing outside India at their usual address both outside and in India. Every notice of a meeting of the Board shall be accompanied by a complete agenda of the business to be transacted thereat. The notice and the agenda shall be in the English language. As far as practicable, the notice and agenda shall not contain any item of miscellaneous designation such as 'other matters'.

No business shall be transacted at a Board meeting which is not specifically and explicitly mentioned in the notice or the agenda unless the Director present thereat resolve to the contrary.

Quorum

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

Adjournment
of meeting for
want of
quorum.

159. If a meeting of the Board of Directors cannot be held for want of a quorum then the meeting shall stand adjourned to such other time and place as may be fixed by the Chairman and in default of such appointment to the same day in the next week at the same time and place or if that day is a public holiday at the same time and place or to such day, time and place as the Directors present may determine.

Who to
preside
at Board
meeting.

160. The Chairman of the Company shall be appointed by the Board and he shall be entitled to take the Chair at every meeting of the Board. If no Chairman is appointed, or if at any meeting of the Board, the Chairman shall not be present at the time appointed for holding the same or if he shall be unable or unwilling to take the Chair, then the Directors may elect one of their members to be the Chairman of the Meeting.

Questions at
Board Meetings
how decided.

161. Questions arising at a Meeting of the Board of Directors or thereof shall be decided by a majority of the votes and in the case of an equality of votes, the Chairman shall have a second or a casting vote.

Directors
may appoint
Committees.

162. Subject to the provisions of Section 292 of the Act and these Articles, the Board may delegate any of their powers to Committees of the Board consisting of such number of its body, as it thinks fit and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to persons or purposes; but every Committee of the Board so formed shall, in the exercise of the powers so delegated to it conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act and these Articles, the Board may from time to time fix the remuneration to be paid to any member or members of their body constituting a Committee appointed by the Board in terms of thos Articles and may pay the same.

163. The meetings and proceedings of any such Committee of the Board shall be governed by the provisions herein contained in respect of the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Board under the last preceding Article.

Meetings of Committees how to be convened.

164. (1) A resolution passed by Circular without a meeting of the Board or a Committee of the Board appointed under Article 162 shall, subject to the provisions of sub-clause (2) hereof and the Act be as valid and effectual as a resolution duly passed at a meeting of the Board or of its committee duly called and held.

Resolution by Circulation.

(2) No resolution shall be deemed to have been duly passed by the Board by circulation, unless the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors then in India (not being less in number than the quorum requisite for a meeting of the Board) and to all other Directors at their usual address in India and has been approved by such of the Directors or as are then in India or by a majority of such of them as are entitled to vote at the resolution.

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, may be as valid as if every such person had been duly appointed and was qualified to be a Director, and had not vacated his office or his appointment had not been terminated; Provided that nothing in this Article shall be deemed to give validity to acts done by the Directors after their appointment had been shown to the Company to be invalid or to have been terminated.

Act of Board or Committee valid notwithstanding defect in appointment.

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 :-

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

- (i) The names of the Directors present at the meeting of the Board of Directors or any Committee thereof;
- (ii) All orders made by the Board of Directors.
- (iii) All resolutions and proceedings of meetings of the Board of Directors and Committees thereof;

(iv) In the case of each resolution passed at a meeting of the Board of Directors or Committee thereof the names of Directors if any, dissenting from or not concurring in the resolution.

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

167. All such minutes shall be signed by the Chairman of the concerned meeting 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 resolution recorded, and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

POWERS OF DIRECTORS

General
Powers of
Directors.

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 Act or by the Memorandum or these Articles or otherwise to be exercised or done by the Company in General Meeting; Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or any other Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Company in General Meeting.

(2) No regulations 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.

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

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

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

(c) Invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in sub-clause (a) above or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time.

(d) Borrow moneys in excess of the limits provided in Article 78.

(e) Contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand Rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately proceeding, whichever is greater.

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 it shall do so only by means of resolutions passed at meetings of the Board :

Certain powers
to be exercised
by Board only
at meetings.

- (a) The power to make calls on share holders in respect of moneys 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 office of any of its branch offices, the powers specified in sub-clauses (c), (d) and (e) of this clause to the extent specified below on such conditions as the Board may press.

(2) Every resolution delegating the power referred to in Sub-Clause (1) (e) shall specify the total amount upto which loans, upto which moneys may be borrowed by the delegate. Provided however, that where the Company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit, or other accounts, the actual day to day operation on overdraft, cash credit or other account, by means by which the arrangement as made is actually availed of shall not require the sanction of the Board.

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

(4) Every Resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time as may be borrowed, the purposes for which the loans may be made and the maximum amount of loans 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

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of the powers referred to in sub-clause (a), (b), (c), (d) and (e) of Clause (1) above.

Certain powers of the Board.

171. Without prejudice to the powers conferred by Articles 78 and 168 and so as not in any way to limit or restrict these powers and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in Articles 169 and 170, it is hereby declared 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, formation, establishment and registration of the Company and to the issue of further capital.

To pay commission and interest.

(2) To pay and charge to the capital of the Company any commission or interest lawfully payable thereout under the provisions of Sections 76 and 208 respectively of the Act and Articles 15 and 184.

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 such title as the Directors may believe or may be advised to be reasonably satisfactory.

To pay for property in cash debentures or otherwise.

(4) At their discretion and subject to the provisions of the Act to pay for any property rights or privileges acquired, by, or services rendered to the Company, either wholly or partly in cash, or in shares, bonds, debentures, debenture-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, debentures, 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 buildings, plant, machinery, goods, vessels, vehicles, stores, produce and all other moveable and immoveable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery, and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

To open accounts with Banks.

(6) To open accounts with any banks or bankers or with any company or firm or individual and to pay money into and draw money from or otherwise operate any such account from time to time as the Board may think fit.

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|---|--|
| (7) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit. | To secure contracts by mortgage, etc. |
| (8) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit. | To attach conditions as to transfer of any shares. |
| (9) To accept from any member, as far as may be permissible by law, a surrender of his shares or stock or any part thereof, on such terms and conditions as shall be agreed. | To accept surrender of shares. |
| (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 required in relation to any such trust and to provide for the remuneration of such trustee or trustees. | To appoint trustees. |
| (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 bring and defend suits and legal proceedings. |
| (12) To refer any claims or demands by or against the Company or any disputes or differences to arbitration and observe, perform and execute any awards made thereon. | To refer to arbitration. |
| (13) To act on behalf of the Company in all matters relating to bankrupts and insolvents. | To act in insolvency matters. |
| (14) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. | To give receipts. |
| (15) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purposes. | To authorise acceptances. |
| (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 securities and other investments (not being shares of the 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. | To invest money. |

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To execute mortgages.

(17) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company such mortgage of the Company's property (present or 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.

To distribute bonus.

(18) To distribute by way of bonus among the staff of the Company as part of the profits of the Company, and to give 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.

Sharing profits.

(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 profits of the Company and such share of profits shall be treated as part of the working expenses of the Company.

To provide for welfare of employees and to subscribe to charitable and other funds.

(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 or the dependants of such persons, by building or contributing to the building of houses, dwellings or quarters or by grant of money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payment 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 and recreation, hospitals and dispensaries, medical and other attendances and other forms of assistance, welfare or relief 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 or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation or of public aid and general utility or otherwise.

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 create a Depreciation Fund, Insurance Fund, General Reserve Fund, Reserve Fund, Sinking or any special or other fund or funds or account or accounts to meet contingencies, or to repay Redeemable preference shares, debentures or debenture-stock or for special dividends, or for equalising dividends, or for repairing, improving, extending, and maintaining any part of the property of the Company, and/or for such other purposes (including the purposes referred to in the last two preceding sub-clauses) as the Board

may in its absolute discretion think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as are required to be invested upon such investments (subject to the restrictions imposed by the Act and these Articles) as the Directors may think fit and from time to time to deal with and vary any such investments and dispose of and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit, with full power to transfer the whole or any portion of Reserve Fund or division of a Reserve Fund to another Reserve Fund or division of a Reserve Fund and to employ the assets constituting all or any of the above funds or accounts including the Depreciation Fund appropriated out of the net profits in the business of the Company or in the purchase or repayment of Redeemable Preference Shares, debentures or debenture-stock and that without being bound to keep the same separately from the other assets, and without being bound to pay or allow interest on the same with power however to the Board at its discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

(22) Subject to the provisions of the Act, to appoint and at their discretion to remove or suspend such managers, secretaries, officers, clerks, agents and servants 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 or remunerations, 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) following shall be without prejudice to the general powers conferred by this sub-clause.

To appoint employees.

(23) To comply with the requirements of any local law which the Company is not bound to comply with but which in their opinion it shall be in the interest of the Company necessary or expedient to comply with.

To comply with local laws.

(24) From time to time and 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 person to be members of such

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Local Board, or managers or agents and to fix their remuneration.

(25) Subject to the provisions of Section 292 of the Act and Article 170 from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or any managers or agents so appointed any of the powers, authorities, and discretions for the time being vested in the Board of Directors, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein, and to act notwithstanding such vacancies; and any such appointment or delegation under the preceding and this sub-clause may be made on such terms and subject to such conditions as the Board of Directors may think fit and the Board of Directors may at any time remove any 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 the Act or these Articles or by the Company in General Meeting) and for such period and subjects to such conditions as the Board of Directors may from time to time think fit, and any such appointment may (if the Board of Directors think fit) be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any company, or the members, directors, nominees or managers of any Company, firm or otherwise in favour of any body of persons whether nominated directly or indirectly by the Board of Directors and any such Powers of Attorney may contain such power for the protection or convenience of persons dealing with such Attorneys as the Board of Directors may think fit and may contain powers enabling any such delegate or Attorneys as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in them.

To delegate.

(27) Subject to the provisions of the Act and these Articles, to delegate all or any of the powers, authorities and discretions for the time being vested in the Directors to any persons, firm, company, otherwise to fluctuating body of persons as aforesaid.

To enter into
contracts etc.

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

in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

MANAGING DIRECTOR OR WHOLETIME DIRECTOR

172. Subject to the provisions of the Act and of these Articles, the Board may from time to time appoint one or more of its members as Managing Director or Managing Directors or wholtime Director or Wholtime Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as it may think fit and subject to the provisions of the Act and of Article 173, the Board may by resolution vest in such Managing Director or wholtime Director such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such condition and subject to such restrictions as it may determine.

Board may
appoint
Managing
Director and
Whole-time
Director.

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

Restrictions
on powers of
Managing or
Whole-time
Directors.

(a) make calls on shareholders in respect of money unpaid on their shares in the Company, and

(b) issue debentures;

and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, the Managing Director or Managing Directors or wholtime Director or wholtime Directors shall also not exercise the powers to :-

(c) borrow moneys,

(d) invest the funds of the Company, and

(e) make loans;

174. Subject to the provisions of the Act and these Articles, the Managing Director or Managing Directors or Wholtime Director or Wholtime Directors shall not, while he or they continue to hold that office be subject to retirement by rotation but he or they shall subject to the provisions of any contract between him or them and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he or they shall ipso facto and immediately cease to be Managing Director or Managing Directors or wholtime Director or wholtime Directors if he or they cease to hold the office of Directors for any cause.

That provisions
the Managing
and Whole-time
Director shall
be subject to.

175. Subject to the provisions of the Act and these Articles, the remuneration of the Managing Director or Managing Directors or wholtime Director or wholtime Directors shall be in accordance with the terms of his or their contract with the Company.

Remuneration
of the Manag-
ing Director
and Whole-time
Director.

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Powers and
duties of
Managing
Director.

176. Subject to the provisions of the Act and to the terms of any Resolution of the Company in General Meeting or of any resolution of the Board and to the terms of any contract with him or them, the Managing Director or Managing Directors shall have and exercise substantial power of management subject to the superintendence, control and direction of the Board.

SECRETARY

Secretary.

177. The Directors shall appoint a wholetime Secretary of the Company for such terms at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. The main function of the Secretary shall be the responsibility for maintaining Registers required to be kept under the Act and these Articles, for making the necessary returns to the Registrar of Companies under the Act and these Articles and for getting the necessary documents registered with the Registrar 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 notices to the members, preparing the agenda of meetings, issuing notices to Directors, preparing minutes of meetings of members and Directors and of any Committees 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. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

REGISTERS, BOOKS AND DOCUMENTS

Registers,
Books and
Documents.

178. (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 not held in the Company's name according to Section 49 of the Act;
- (b) Register of Mortgages, Debentures and charges according to Section 143 of the Act;
- (c) Register of Members and an 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, Companies and Firms in which Directors are interested according to Section 301 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 loans made, guarantees given or securities provided according to Section 370 of the Act;
- (i) Register of Investments in shares or debentures of bodies corporate according to Section 372 of the Act;
- (j) Books of Account in accordance with the provisions of Section 209 of the Act;
- (k) Copies of instruments creating any charge requiring registration according to Section 136 of the Act;
- (l) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of the Certificate required under Section 161;
- (m) Register of Renewed and Duplicate Certificates according to Rule 7(2) of the Companies (Issue of Share Certificate) Rules, 1960.

(2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and these Articles and shall be kept open for inspection for such persons as may be entitled thereto respectively, under the Act and these Articles on such days and during such business hours as may in that behalf be determined in accordance with the provisions of the Act and these Articles and extracts therefrom shall be supplied to those persons entitled thereto in accordance with the provisions of the Act and these Articles.

(3) The Company may keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act subject to the 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 Branch Registers of Members and/or Debenture-holders.

THE SEAL

179. The Board shall provide a Common Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board 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 Board or a Committee of the Board previously given.

Seal of the Company.

180. Subject to the provisions relating to the issue of share certificates, every deed or other instrument to which the Seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney of the Company, be signed by two Directors or one Director and the Secretary or in place of the Secretary some other person appointed by the Board for the purpose. Provided nevertheless that certificates of debentures may be signed by one Director only or by the Secretary of the Company or by a duly constituted attorney of the Company and certificates of shares shall be signed as provided in Article 16.

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Seals abroad.

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

INTEREST OUT OF CAPITAL

Payment of interest out of capital.

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

DIVIDENDS

Division of profits.

183. The profits of the Company, subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid-up on the shares held by them respectively. Provided always that any capital paid up or credited as 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.

184. 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.

185. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share where a large amount is paid up or credited as paid up on some shares than on others.

The Company in General Meeting may declare a dividend.

186. 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 profits and subject to the provisions of the Act, may fix the time for payment. When a dividend has been so declared, subject to the provisions of Section 207 of the Act either the dividend shall be paid or the warrant in respect thereof shall be posted within 42 days of the date of declaration to the share holders entitled to the payment of the same.

Powers of General Meeting to limit dividend.

187. 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 Sections 205, 205A, 206 and 207 of the Act, and no dividend shall carry interest as against the Company. The decla-

ration of the Directors as to the amount of the net profits of the Company shall be conclusive.

188. 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.

Interim dividend.

189. Subject to the provisions of the Act the Directors may retain the dividends payable upon any shares in respect of which any person is under Article 58 hereof, 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 by operation of law or otherwise.

Retention of dividends until completion of transfer.

190. 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 of 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 moneys so due from him to the Company.

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

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

Right to dividend to pending registration of transfer.

192. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the Registered address of the member or person entitled or in case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque 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 transmission or for any dividend lost to the member or other person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

Dividends how remitted.

193. The Company shall duly comply with the provisions of Section 205-A of the Act in respect of a dividend declared by it but which has not been paid or the warrant in respect thereof has not been posted within forty-two days from the day of the declaration to any share-holder entitled to the payment of the Dividend. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and company shall comply with the provisions of Sec. 205-A and 205-B of the Act in respect of unclaimed or unpaid dividend.

Unpaid dividend.

194. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members

Dividend and call together.

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

RESERVE AND CAPITALISATION

Reserves.

195. The Board may, before recommending any dividend set aside out of the profits of the company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or as may be permitted by the Act, applied for payment of dividend or be invested in such investments and in such manner or as may be permitted by the Act and as the Board may from time to time think fit.

Capitalisation.

196. (1) Any General Meeting of the Company on the recommendation of the Board may resolve that any amounts standing to the credit of the Share Premium Account, the Capital Redemption Reserve Account, or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus monies 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 other Reserve or 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 of shares of the Company and to the extent permitted by the Act, debentures, debenture-stock, bonds or other obligations of the Company; or

(b) By crediting shares of the Company which may have been issued to and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

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

(2) Such issue and distribution under sub-Clause (1)(a) above and such payment to credit of unpaid share capital under sub-clause (1)(b) above shall be made to among and in favour of the members or any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under sub-clause (1)(a) or payment under sub-clause (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 shall apply such portion of the profits, General Reserve or other Reserve or any other Fund or Account as aforesaid as may be required for the purpose of making payment in full of the shares, debentures, debenture-stock, bonds or other obligations of the Company so distributed under sub-clause (1)(a) above or (as the case may be) for the purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under sub-clause (1)(b) above.

(4) For the purpose of giving effect to any such resolution, the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations 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 and others are partly paid only, such capitalisation may be effected by the distribution of further shares in respect of the fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon but so that as between the holders of the fully paid shares and the partly paid shares, the 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 and partly paid shares respectively.

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

ACCOUNTS

197. (1) As required by Section 209 of the Act, 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 takes place;
- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company.

Books of Account to be kept.

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Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides, the Company shall, within seven days of the decision, file with the Registrar 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 transactions effected at that office shall be kept at that office, and proper summarised returns, made upto date at intervals of not more than three months, shall be sent by the branch office 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 transactions.

(4) The Books of Account and other books and paper shall be open to inspection by any Director during business hours.

Books of
Account to be
preserved.

198. 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 by the Company in good order.

Inspection to
members of
accounts
and books of
the Company.

199. The Board 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 books or document of the Company except as conferred by law or authorised by the Board.

Accounts to
be furnished
at General
Meetings.

200. At every Annual General Meeting, the Board shall lay before the Company a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 210 of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Sections 210, 211, 212, 215, 216 and of Schedule VI of the Act so far as they are applicable to the Company.

Director's
Report.

201. There shall be attached to every Balance Sheet laid before the Company a Report by the Board of Directors complying with the provisions of Section 217 of the Act.

Right of
members to
copies of
Balance Sheet
and Auditors'
Report.

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

ANNUAL RETURNS

203. The Company shall make and file the requisite Annual Returns in accordance with the provisions of Sections 159 and 161 of the Act.

Annual Returns.

AUDIT

204. Once at least in every year the Books of Account of the Company shall be examined by one or more Auditors in accordance with the relevant provisions contained in that behalf in the Act.

Accounts to be audited.

205. The appointment, qualifications, powers, rights, duties and remuneration of the Auditors shall be regulated by and in accordance with Section 224 to 231 (both inclusive) of the Act.

The appointment, powers, etc. of Auditors.

206. 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, whether any such error is discovered within that period the Account shall forthwith be corrected and thenceforth shall be conclusive.

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

DOCUMENTS AND SERVICE OF DOCUMENTS

207. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him at his registered address or (if he has no registered address in India) at the address, if any, within India supplied by him to the Company.

Manner of service

(2) Where a document is sent by post.

(a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice provided that where a member has intimated to the Company in advance that documents should be sent to him under 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.

208. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notice 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.

209. 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 a prepaid letter addressed to them by name or by the title of representative of the deceased or Assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

Persons entitled to notice of General Meetings.

210. Subject to the provisions of the Act and these Articles notices of General Meetings shall be given :

(i) to members of the Company as provided by Article 89 in any manner authorised by Article 92 or as authorised by the Act.

(ii) to the person entitled to a share in consequence of the death or insolvency of a member as provided by Article 209 or as authorised by the Act;

(iii) to the Auditor or Auditors for the time being of the Company, in any manner authorised by Article 92 or as authorised by the Act as in the case of any member or members of the Company.

Advertisement.

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

Court document given to previous holders.

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

Notice by Company and signature thereto.

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

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

Service of
notice by
members.

AUTHENTICATION OF DOCUMENTS

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

Authentica-
tion of docu-
ments and
proceedings.

RECONSTRUCTION

216. On any sale of the undertaking of the Company the Board or Liquidator on a winding-up may, if authorised by a Special Resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not, either then existing or to be formed for the purpose in whole or in part of the property of the Company, and the Board (if the profits of the Company permit) or the Liquidator (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realisation, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of cash, shares or other securities, benefit or property otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound up, such statutory rights, if any, under Section 494 of the Act as are incapable of being varied or excluded by these Articles.

WINDING UP

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

Distribution
of assets in
specie or kind

218. (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 specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

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

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

Right of
shareholders
in case of sale.

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

SECURITY CLAUSE

Secrecy
clause.

220. (1) Every director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company, shall if so required by the 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 relation 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 person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

(2) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or the Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process, which may relate to the conduct

of the business of the Company and which in the opinion of the Director 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

221. (1) Subject to the provisions 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 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 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, Manager, Secretary or other office or employee and the trustees (if any) for the time being acting in relation to any of the affairs of the Company may incur or become liable to by reason of any contract entered into or any act, deed or thing done by him as such Director, officer, employee or trustees or in any way in the discharge of his duties.

Directors' and others' right to indemnity.

(2) Subject 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 application under Section 633 of the Act in which relief is given by the Court.

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222. Subject to the provisions of Section 201 of the Act no Director, the Managing Director or other officer of the Company shall be liable for the acts, omission, neglects or defaults of any Director or officer or for joining in any omissions, neglects 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 shall be invested or for any loss or damage arising from the bankruptcy, insolvency, or tortous 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 damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty, wilful neglect or default.

Directors and others not responsible for acts of others.

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These Articles of Association are adopted by a Special Resolution passed at the Extra Ordinary General Meeting of the Company held at the Registered Office of the company on 3rd day of October, 1985.

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

Name, address, description and occupation of Subscribers.	No. of Equity Shares taken by each Subscriber.	Signature of Subscribers.	Signature, name, address, description and occupation of witness
<p>1 KISHORKUMAR PATEL</p> <p>SON OF MOHANLAL PATEL</p> <p>Kalyan Society, DHORAJI.</p> <p>BUSINESS.</p>	<p>10 (Ten) Equity</p>	<p>S/d.</p>	<p>SON OF SHRI HARIBHAI DAND Vanzari Chowk, M.G. Road, Junagadh, Chartered Accountant</p>
<p>2 ARVINDKUMAR PATEL</p> <p>SON OF MOHANLAL PATEL</p> <p>Kalyan Society, DHORAJI.</p> <p>BUSINESS</p>	<p>10 (Ten) Equity</p>	<p>S/d.</p>	<p>SHRI DHIRUBHAI DAND</p>
<p>Total</p>	<p>20 (Twenty) Equity</p>		

Junagadh, Dated this 3rd day of December 1981.