



MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF

KUTCH MINERALS LIMITED



No. 11-24282

**CERTIFICATE OF CHANGE OF NAME
UNDER THE COMPANIES ACT, 1956.**

In the matter of KUTCH MINERALS PRIVATE LIMITED

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and the Special Resolution passed by the Company at its ~~XXXXX~~ Extra-Ordinary General Meeting on the 28TH MAY, 1994

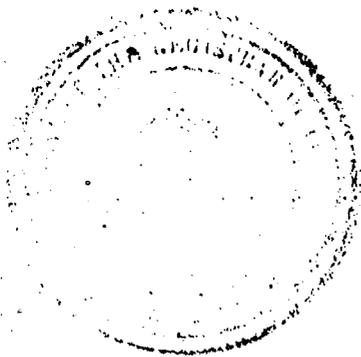
the name of "KUTCH
MINERALS PRIVATE LIMITED

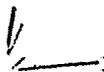
has this day been changed to "KUTCH MINERALS LIMITED"

And that the said company has been duly incorporated as a company under the provisions of the said Act.

Dated this TWENTYEIGHTH day of JUNE

One thousand nine hundred and ninety four.




(S.R.V.V. SATYANARAYANA)
Addl. Registrar of Companies
Maharashtra, Bombay.



CERTIFICATE OF INCORPORATION

No. 24282 of 1981

I hereby certify that **KUTCH MINERALS PRIVATE LIMITED** is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

Given under my hand at **BOMBAY** this **TWENTY-SECOND** day of **APRIL** One thousand nine hundred and **EIGHTY-ONE**.



Sd/- (T. S. V. PANDURANGA SARMA)
Registrar of Companies.

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

KUTCH MINERALS LIMITED

- I. The name of the Company is **KUTCH MINERALS LIMITED.**
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The Objects for which the Company is established are :
 - (A) **MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION :**
 1. To carry on the business of mining of crude China Clay, and other minerals and to carry on the process of levigating and pulverizing the crude China Clay and other minerals.
 2. To carry on the business of manufacturers, dealers, exporters and importers of crude levigated, pulverized China clay and to beneficiate the China clay to produce various grades of China clay used in various industries.

**(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE
ATTAINMENT OF THE MAIN OBJECTS :**

3. To enter into contracts, agreements and arrangements with any other company for carrying out by such other company on behalf of the Company of the objects for which the Company is formed.
4. To become members of any Association of Companies or traders or brokers or dealers in forward or ready business in any merchandise or commodity or members of any Chamber of Commerce or other body.
5. To sell whiting (chalk) lumps, powder and also its derivatives.
6. To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, receptacles substances, materials, articles, minerals in all forms and things necessary or convenient for carrying on the business or process of the Company.
7. To repair, alter, remodel, clean, renovate, convert, manipulate and prepare for resale and resell any goods from time to time belonging to the Company.
8. To carry on any business or branch of a business which this company is authorized to carry on by means or through the agency of any subsidiary company or companies and to enter into any arrangement with such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on or for financing any such subsidiary company or guaranteeing its liabilities or to make any other arrangement which may seem desirable with reference to any business or branch so carried on including power, at any time either temporarily or permanently, to close any such branch or business.

9. To appoint Directors or Managers of any subsidiary company or of any other company in which this company is or may be interested.
10. To take part in the management, supervision and control of the business or operations of any company or undertaking having the same objects.
11. For the purpose mentioned in the preceding clause, to appoint and remunerate any directors, trustees, accountants or other experts or agents.
12. To purchase, take on lease or in exchange, hire or otherwise acquire any immovable or moveable property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade and either to retain any property to be acquired for the purposes of the Company's business or to turn the same to account as may seem expedient.
13. To construct, improve, maintain, develop work, manage, carry out or control any buildings, factories or works or any roads, ways, branches or sidings, bridges, wells, reservoirs, watercourses, wharves, warehouses, shops, stores, chawls, and other buildings, for housing employees and other or do works and conveniences which may seem calculated directly or indirectly to advance the Company's interests and to contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, development, working, management, carrying out or control thereof.
14. To let on lease or on hire or to lend or otherwise dispose of any property belonging to the Company.
15. To sell, lease, grant licences, easements and other rights over and in any

other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof, for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company.

16. To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorised to carry on or possessed or property suitable for the purpose of this Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
17. To amalgamate, enter into any partnership or partially amalgamate with or acquire interest in the business of any other company, person or firm carrying on or engaged in or about to carry on or engage in any business or transaction included in the objects of the Company or enter into any arrangement for sharing profits or for co-operation or for limiting competition or for mutual assistance with any such person, firm or company.
18. To enter into partnership or into any arrangement for sharing profits or losses or for any union of interest, joint-adventure, reciprocal concession or operation with any person or persons or company or companies carrying on or engaged in or about to carry on or engage in or being authorised to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.
19. To acquire, take up and hold shares, stocks, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any company constituted

or carrying on business in India or in any foreign country and debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any Government, Sovereign Ruler, Commissioners, public body or authority, supreme, municipal, local or otherwise whether in India or any foreign country.

20. To acquire any such shares, stocks, debentures, debenture-stock, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same, either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.
21. To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights, and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing or underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures, or other securities of any such other company.
22. To enter into any arrangement with any Government or authority supreme, municipal, local or otherwise or any person or company that may seem conducive to the Company's objects or any of them and to obtain from any such Government, authority, person or company any rights, privileges, charters, contracts, licences and concessions which the Company may think fit or desirable to obtain and to carry out, exercise and comply therewith.
23. To apply for, promote and obtain any Act, charter, privilege, concession, licence, authorisation from any Government, State or Municipality, provisional order or licence or any authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the Company's constitution or for any other

purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interest.

24. To apply for, purchase or otherwise acquire and protect and renew in any part of the world any patents, patent rights, brevets d'invention, trademarks, designs, licences, concessions and the like conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.

25. To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on all scientific and technical researches, experiments and tests of all kinds and to promote, studies and research, both scientific and technical, investigations and invention by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the remuneration of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.

26. To make donations to such persons or institutions and in such cases and

either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to this Company and also to subscribe, contribute or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national, public or other institutions, objects or for any exhibition or for any public, general or other objects and to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and conveniences for the benefit of the employees or ex-employees (including directors) of the Company or its predecessors in business or of persons having dealings with the Company or the dependents; relatives or connection of such persons and in particular friendly or other benefit societies and to grant pensions, allowances, gratuities and bonuses either by way of annual payments or a lumpsum and to make payments towards insurance and to form and contribute to provident and benefit funds of or for such persons.

27. To refer or agree to refer any claim, demand, dispute or any other question by or against the Company or in which the Company is interested or concerned and whether between the Company and the member or members or his or their representatives or between the Company and third parties, to arbitration in India or at any place outside India and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
28. To pay out of the funds of the Company, all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital including brokerage and commission for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.

29. To pay all preliminary expenses of any company promoted by the Company or any company in which the Company is or may contemplate being interested, including in such preliminary expenses all or any part of the costs and expenses of owners of any business or property acquired by the Company.
30. To pay for any rights or property acquired by the Company and to remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of shares in the Company's capital or any debentures, debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the acquisition of property by the Company or the conduct of its business whether by cash payment or by the allotment of shares, debentures or other securities of the Company, credited as paid up in full or in part or otherwise.
31. To adopt such means of making known the business of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
32. To lend and advance money or to give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and other having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies and generally to give guarantees and indemnities.
33. To invest and deal with surplus moneys of the Company in such manner as may from time to time be determined.
34. To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit and in

particular by the issue of debentures or debenture-stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or company as the case may be.

35. To undertake and execute any trusts, the undertaking of which may seem to the Company desirable and either gratuitous or otherwise.
36. To draw, make, accept, endorse discount, execute and issue, bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments or securities however, the Company shall not carry on banking business as defined by the Banking Regulation Act, 1949.
37. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company for the time being.
38. Subject to the provisions of the Companies Act, 1956, to distribute among the members in specie or in kind any property of the Company or any proceeds of sale or disposal of any property of the Company, in the event of winding up.
39. To insure the whole or any part of the property of the Company either fully or partially, to protect and indemnify the Company from liability or loss in any respect either fully or partially and also to insure and to protect and indemnify any part or portion thereof either on mutual principal or otherwise.
40. To carry out in any part of the world all or any part of the Company's objects

as principals, agents, factor, trustee, contractor or otherwise, either alone or in conjunction with any other person, firm, association, corporate body, municipality, province, state, or government or colony or dependency thereof.

41. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all states, territories, possessions, colonies and dependencies thereof and in any or all foreign countries and for this purpose to have and maintain and to discontinue such number of offices and agencies therein as may be convenient.
42. To procure the Company to be registered or recognised in any part of the world.

(C) OTHER OBJECTS :

43. To carry on trade or business for ready or forward deliveries either on its own accounts or on account of constituents as buyers, sellers, importers, exporters, shippers, agents, commission agents of and dealers in shares, stocks, securities, bullion, cotton, cotton textiles, cotton yarns, hemp, hemp products, jute, jute products, coir, coir products, wool, wool products, silk, silk textiles, artificial yarn, artificial textiles, man made fibres and goods, manufactured thereof, seeds, cereals, nuts, grains, rice, wheat, and all kinds of pulses, tea, coffee, cocoa, hessian cloth, gunny bags, rubber and goods manufactured thereof, gum, tobacco, spices, and produces of the soil, paints, varnishes, coal tar dyes, dyes, dyestuffs, colours, chemicals, plastics and plastic goods, bakelite and bakelite goods, timber, carpets, rugs, mattings, paper and paper products, cycles, and accessories, thereof, tubes and tyres for all types of vehicles, synthetic boards, suitable for furnitures and decorations, household and hospital furnitures, hospital equipments laboratory apparatus, leather

and leather goods, linonelum, sewing threads, sewing machines, and parts thereof, electrical goods and accessories, flourescent lamps and its fixtures, machineries, machine parts and tools, wireropes, building materials, hard-wares, glass-wares, enamel wares, crockery, cutlery materials, foot wears, tarpaulins, waterproof cloth, oil cloth, imitation leather cloth, sanitary wares, groceries, provisions, crude drugs, drugs, medicines, cosmetics, oils, oil-seeds, oil cakes, essential oils, sandalwood, automobiles parts and accessories, engineering goods, agricultural equipments, electronic components, hides and skins, ivory and its products, canned vegetables, fruits, pulps, juices, pickles, storage batteries wet and dry, and its accessories, types for printing presses, iron-ore, manganese ore, boxide, telephones and its accessories, ready-made garments, hosieries, metals, minerals, coal, gas, fuel, petrol gems, jewelle-ries, precious stones, marine products, sports goods and any kind of mercandise and/or produce and/or commodities.

44. To undertake any advisory, accountancy, clerical or similar work.
45. To act as stockists, commission agents, manufacturers' representatives or agents, selling and purchasing agents, distributors, brokers, trustees, attor-neys and subject to the provisions of the Companies Act, 1956, Managers and transfer agents for any other company, firm, corporation or person.
46. To carry on business as house, land and estate agents and to arrange or under-take the sale, purchase of, advertise for sale or purchase, assist in selling or purchasing and find or introduce purchasers or vendors of and to manage land, buildings, and other property, whether belonging to the company or not and to let any portion of any premises for residential, trade or business purposes or other private or public purposes and to collect rents and income

and to supply to tenants and occupiers and other refreshments, clubs, public halls, messengers, lights, writing rooms, reading rooms, meeting rooms, lavatories, laundry conveniences, electric conveniences, garages and other advantages.

47. To act as agents and brokers for sellers, buyers, exporters, importers, manufacturers, merchants, tradesmen, insurers and others and generally to undertake and carry out agency work and commission business.

IV. The Liability of the Members is Limited.

V. The Authorised Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten only) each. Any shares of the original or increased capital may from time to time be issued with guarantee or any rights or preference whether in respect of dividend or of repayment of capital or both or any other special privilege or advantage over any shares previously issued or then about to be issued or with deferred or qualified rights as compared with any shares previously issued or subject to any provisions or conditions and with any special right or limited right or without any right of voting and generally on such terms as the Company may from time to time determine.

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

Name, address, description and occupation of Subscribers:	No. of Shares taken by each Subscriber	Signature of Subscribers.	Signature, name, address, description and occupation of witness.
<p>Mr. Vershi S/o Khimji Lakhamshi 15, Shree Sadan, Navghar Road, Mulund (E.), Bombay-400 081.</p> <p>Business</p>	<p>5 (Five) Equity Shares</p>	<p>Sd/-</p>	
<p>Mr. Kantilal S/o Lakhamshi Hirji 6, Ketki Apartment, G. V. S. Lane-2, Mulund (E.), Bombay-400 081.</p> <p>Business</p>	<p>5 (Five) Equity Shares</p>	<p>Sd/-</p>	<p>MAHENDRA H. SHAH S/o Himatlal V. Shah 101, Gokul Bldg., 1st Floor, 80-A, Baroda Street, Iron Market, Bombay-400 009. Chartered Accountants</p>
<p>Total</p>	<p>10 (Ten) Equity Shares</p>		

Bombay, dated this 30th day of March, 1981.

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

OF

KUTCH MINERALS 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 of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the company in reference to the repeal or alteration of, or addition to, its regulations by Special Resolution as prescribed by the said Companies Act, 1956, be such as are contained in these Articles

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

INTERPRETATION

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

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

Interpretation clause "The Act. or "The said Act"

"The Board" or
"Board of Direc-
tors"

"The Board" or the "Board of Directors" means a meeting of the Directors convened and constituted or the requisite number of Directors entitled to pass a Circular resolution in accordance with these Articles.

"The Company"
or "This Company"

"The Company" or "This Company" means **KUTCH MINERALS LIMITED.**

"Directors"

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

"Dividends"

"Dividends" include bonus.

Gender/
Number

Words importing the masculine gender, also include the feminine gender and words importing singular number also include plural number and vice versa.

"Month"

"Month" means a calendar month.

"Office"

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

"Persons"

"Persons" includes corporations as well as individuals.

Share ordinary/
Equity

Ordinary share means Equity Share.

"These Presents"
or "Regulations"

"The Presents" or "Regulations" means the Articles of Association as originally framed or altered from time to time and include the Memorandum where the context so requires.

"Seal"

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

"Writing"

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

Expression in
the Act to bear
the same meaning
in Articles

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

Marginal
notes

The marginal notes hereto shall not affect the construction hereof.

PRELIMINARY

Copies of Memo- 3.
randum & Articles
of Association to
be given to
Members.

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 at his request

within seven days of the requirement subject to the payment of a fee of Rupee one.

CAPITAL AND INCREASE & REDUCTION OF CAPITAL

4. The Share Capital of the Company shall be Rs.10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- (Rupees Ten only) each. Capital of the Company.

5. Any unclassified shares (whether forming part of the original capital or of any increased capital of the Company) may be issued either with the sanction of the Company in General Meeting or by the Directors and upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting sanctioning the issue of such shares be directed and, if no such direction be given and in all other cases, as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in distribution of the assets of the Company and any preference shares may be issued on the terms that they are liable to be redeemed. Unclassified Shares.

6. Subject to the provisions of Section 81 of the Act and subject to Article 8 of these Articles, the Board of Directors and/or the Company in General Meeting may determine to issue further shares of the authorised but unissued capital of the Company and may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members of holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount, as such General Meeting shall determine and with full power to give to any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or (Subject to compliance with the provisions of Section 79 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment for the issue, allotment or disposal of any shares. Power of General Meeting and Board of Directors to offer shares to such persons as the company may resolve.

Increase of
Capital

7. The Company may from to time in General Meeting alter the conditions of its Memorandum by increase of its share capital by the creation 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 by the General Meeting creating the same shall be directed and if no direction be given as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company provided always that any Preferential Shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.

Increase of
subscribed
share
capital

8. Subject to the provisions of Section 81 of the Act and of these Articles where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the date of allotment of shares in the Company for the first time after its formation, whichever is earlier, it is proposed to increase the Subscribed Capital of the Company by allotment of further shares, then ;-

- (a) Such further shares shall be offered to the persons who at the date of the offer are the holders of the equity shares of the Company in proportion to as nearly as the circumstances admit to be the capital paid-up on those shares on that date:
- (b) The offer of shares as aforesaid shall be made by notice specifying the number of shares offered and limiting the time not being less than 15 days from the date of offer within which the offer is not accepted will be deemed to have been declined;
- (c) The offer aforesaid shall be deemed to include a right exercisable by the persons concerned to renounce the shares either whole or any of them in favour of any other person and the notice referred to at (b) hereof shall contain a statement of this right.

(d) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given if he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.

Provided that notwithstanding anything hereinbefore contained, the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are holders of the ordinary 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.

8(A) Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which, at the option of the Company, are liable to be redeemed and the Resolution authorising such issue shall prescribe the manner terms and conditions of the redemption.

The Company shall have the power to issue Cumulative Convertible Preference Shares subject to the guidelines issued by the Government of India in that behalf from time to time and the Resolution authorising such issue shall prescribe the manner terms and conditions for such conversion.

Provisions in
case of
Redeemable
Preference
Shares.

9. On the issue of Redeemable Preference shares under the provisions of the Article 7 of the following provisions shall take effect :

- (a) No such shares shall be redeemed except out of the profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made of the purposes of the redemption.
- (b) No such shares shall be deemed unless they are fully paid up;
- (c) The premium, if any, payable on redemption shall be provided for out of the profits of the Company or out of the Company's share premium account, before the shares are redeemed;
- (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend be transferred to Reserve Account to be called "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of a Company shall except as provided under Section 80 of the Act or herein apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
- (e) The Company shall not issue any Preference Shares which are redeemable after the expiry of a period of ten years from the date of issue.
- (f) Subject to the provisions of Section 80 of the Act and this Article the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

10. Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the existing 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. Same as original capital
11. 1. The Company shall not have the power to buy its own shares unless the consequent reduction of capital effected and sanctioned in pursuance of Article 12 or in pursuance of Section 100 to 104 or Section 402 or other applicable provisions (if any) of the Act. Restrictions on purchase by company of its own shares
2. Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, the provisions of security or otherwise, any financial assistance for the purpose of, or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.
3. Nothing in this Article shall effect the right of the Company to redeem any Redeemable Preference Shares issued under Article 7 or Section 80 of the Act.
12. The Company may, subject to the provisions of Section 78, 80 and 100 to 105 inclusive of the Act) from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or share Premium Account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted. Reduction of Capital
13. The Company may in General Meeting alter the conditions of its Memorandum as follows : Consolidation, division and sub-division
- (a) Consolidate and divide all or any of its 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 however, that in the

sub-division, the proportion between the amount, if any, unpaid on each sub-divide share shall be the same as it was in the case of share from which the sub-divided share is derived and the Resolution whereby any share is so sub-divide and the Resolution whereby any share is so sub-divided may determine that as between the holders of the shares resulting from sub-division one or more of them shares shall have some preference or special advantages as regards the dividend capital or otherwise over or as compared with the others or other.

- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Issue of further 14.
paripassu shares
not to effect
the right of
shares already
issued.

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

Power to
modify class
rights

15. If at any time the share capital by reason of the issue of Preference Shares or otherwise; is dividend into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 106 and 107 of the Act, and whether, or not the company is being wound up, be varied modified abrogated or deal with, 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 seperate meeting of the holders of the issued shares of that class and all the provisions contained in these Articles as to General Meeting (including the provisions relating to quorum at such meetings) shall mutatis mutandis, apply to every such meeting.

SHARES

Shares to be 16.
numbered progre-
ssively and no
share to be
subdivided

The shares in the capital of the Company shall be numbered progressively according to their several denominations. Every forfeited or surrendered share shall deem to bear the number by which the same was originally distinguished.

17. Subject to the provisions of the Act and these Articles the Directors may allot and issue shares in the capital of the Company as payment or past payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up shares as aforesaid. Directors may allot shares as fully paid up.
18. 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 on the register shall for the purpose of these articles be a member. Acceptance of shares
19. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become debt due to 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
20. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof, shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be registered holder of the share or his legal representative. Instalments on shares to be duly paid
21. Except as required by law no person shall be recognised by the Company and the Company shall not be bound by, or be compelled in any way, to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any 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 Company not bound to recognise any interest in shares other than that of the registered holders

respect of any share except an absolute right to the entirety thereof in the registered holder.

21(A) Every member, or his heirs, executors or administrators, official assignees, receiver or liquidator shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

UNDERWRITING AND BROKERAGE

Commission for 22.
placing shares,
debentures, etc.

The Company may subject to the provisions of Section 76 and other applicable Provisions (if any) of the Act at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the Company but so that the amount or rate of commission shall be at such rate as may be prescribed as per the rules and regulation framed in that behalf by a competent authority. The 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 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.

23A. (a) Every member or allottee of shares shall be entitled without payment to receive one certificate in marketable lots specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon, such certificate shall be issued only in pursuance of a resolution passed by the Board on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases

of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their attorney and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or a Whole-time Director. Particulars of every share certificates 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.

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

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

23B. (a) No certificate of any share or shares 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 of where the cages on the reverse for recording transfers have been duly utilised, unless that certificate in lieu of which it is issued is surrendered to the Company.

- (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. sub-divide/replaced/on consolidation of shares".
- (c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.
- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate 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.
- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
- (f) All blank forms to be issued 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, fascimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the

Board may appoint for the purpose, and the Secretary of the other person afore-said shall be responsible for rendering an account of these forms to the Board.

(g) 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 safe custody of all books and documents relating to the issue fo share certificates except the blank forms of share certificates referred on in sub-Articles (f).

(h) All books referred to in sub-Articles (g) shall be preserved in good order permanently.

23C. If any share stands in the names of two or more person the person first named in the Register shall as receipts of dividends or bonus or service of not and all or any other matter connected with the company, except voting at meetings, and the trade of the shares be deemed the sole holer thereof the joint-holders of a share shall be several well as jointly liable for the payment of all instalment and calls due in resepect of such share and for the incidents thereof according to the Company's regulations.

The first name of jointholders deemed sole holder

24. Subject to the provisions of Section 113 of the Company shall within three months after allotment of any of its shares or debentures within one months after the application for the registration of the transfer of any such shares or debentures deliver the certificates of all shares and debentures allotted or transferred and the Company shall otherwise comply with the requirements of Section 113 and other applicable provisions (if any) of the Act.

Limination of time for issue of certificates

CALLS

25. The Board from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a

Board may make calls

meeting of the Board (and not be circular resolution) make such calls as they think fit upon the members in respect of all monies unpaid on the shares held by them respectively and not at the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times appointed by the Directors. A call may be made payable by instalments.

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

26. Where at the commencement of the Act, any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling, under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Notice of call

27. Not less than fifteen days' notice at the least of every call otherwise than on allotment shall be given specifying the time of payment and if payable to any person other than the Company the name of the person to whom the call shall be paid, provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same.

Call to date from Resolution

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

- 28A. The Joint Holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Directors may extend time.

29. The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members on the basis of geographical distance or other cause, the Directors, may deem fit, but no member shall be entitled to such extension save as a matter of grace and favour.

30. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly and in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. Amount payable at fixed time or by instalments as calls.
31. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof the holder for the time being or allottee of the share in respect of which a call shall have been made or the instalment shall be due shall pay interest on the same at such rate as the Directors shall fix from the day appointed for the payment thereof of the time of actual payment but the Directors may waive payment of such interest wholly or in part but, nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member. When interest on call or instalment payable
32. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by Company in respect of the payment of any money shall preclude the forfeiture of such shares as here in provided. Judgement, decree or partial payment not to preclude the forfeiture.
33. Subject the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares the money is sought to be recovered appears entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded Proof on trial of suit for money due on shares

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

Partial payment
not to preclude
forfeiture

- 33A. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter, proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in
anticipation
of call may
carry interest

34. 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 amounts of his respective shares beyond the sums, actually called up and upon the money so paid in advance, or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board agree upon. The Board may agree to repay at any time repay the same upon giving to the member three month's notice in writing provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate on profits. No member paying any such sum in advance shall be entitled to voting rights in respect of the money so paid by him until same would but for such payment become presently payable.

FORFEITURE, SURRENDER AND LIEN

If call or
instalment not
paid notice
must be
given

35. If any member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or instalment or any

part thereof or other moneys remains unpaid serve a notice on such member requiring him to pay such call or instalment or such part thereof 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.

36. The notice shall name a day (not being less than 14 days from the date of the notice), and a place or places at which on or before which such call instalment or such part or other moneys as aforesaid and such interest and expenses, as aforesaid are to be paid and if payable to any person other than the Company, the person to whom such payment is to be made. The notice shall also state that in the event of non-payment at or before the time and (if payable to any person other than the Company) to the person appointed the shares in respect of which the call was made or instalment as payable will be liable to be forfeited. Terms of notice
37. If the requirement of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, interest and expenses or 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. In defaults of payment shares to be forfeited
38. When any share shall have been so forfeited notice, of the forfeiture, shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid. Entry of forfeiture in Register of Members
39. Any share so forfeited shall be deemed to be the property of the Company and may be sold-re-allotted otherwise dispose 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. Forfeited shares to be property of the company and may be sold etc.

Power to
annual
forfeiture

40. The Directors may at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, shall have power to annual the forfeiture thereof upon such conditions as they think fit.

Member still
liable to
pay money
owing at time
forfeiture and
interest

41. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof if they think fit.

Effect of
forfeiture

42. (a) The forfeiture of shares shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demands against the Company in respect of the shares shall all other rights incidental to the share, except only such rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Evidence of
forfeiture

- (b) A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

Validity of sale
under Article 39
and 44

- (c) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinabove given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the Purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of

the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

- (d) 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 not effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

Cancellation of
share certificate
in respect of
forfeiture
shares

43. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interest in any shares, shall be created except upon the footing and upon the condition that Article 21 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any on such shares.

Company to
have lien on
shares

44. For the purpose of enforcing such lien the Director may sell the share subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment of such call, instalment or interest for fourteen days after such notice. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the

As to enforcing
lien buy sale

shares comprised in any such transfer. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or a duplicate certificates in lieu thereof to the purchaser or purchasers concerned.

Application
of proceeds
of sale

45. The net proceeds of any such sale after payment of the costs such sale shall be applied in or towards the satisfaction of such call, instalment or interest of such member and the residue (if any) paid to such member or the person (if any) entitled by transmission to the shares so sold.

Title of
purchaser
and allottee
of forfeited
shares

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

TRANSFER AND TRANSMISSION OF SHARES

Register of
Transfer

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

Form of
Transfer

48. Subject to the provisions of Section 108 of the Act, shares in Company may be transferred by an instrument in writing in such form and by such procedure as from time to time may be prescribed by the Act, Subject thereto, the Directors may prescribe a common form for instrument of transfer, which may from time to time be altered by the Directors.

Application
for transfer

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

(b) 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.

(c) For the purposes of Sub-Article (b) above, notice, to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

50. Every such instrument of transfer shall be signed both by the transferor and transferee and the instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate or certificates of the shares must be delivered to the Company.

To be executed
by transfer
and transferee

51. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any of the transferee has been delivered to the Company along with the certificates relating to the shares, or if no such share certificate is in existence with a letter of allotment of the shares, provided where, an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf

Transfer not to
be registered
except on
production of
instrument of
transfer

of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice and 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.

Directors
may refuse
to register
transfer.

52. Subject to the provisions of Section 111 of the Act, or any statutory modification thereof for the time being in force, the Directors may, at their absolute and uncontrolled discretion and without assigning any reason decline to register or acknowledge any transfer of shares and, in particular, may so decline in any case in which the Company has a lien upon the shares or any of them or whilst any moneys in respect of the shares desired to be transferred or any of them unpaid or unless the transferee is approved by the Directors and such refusal shall not be affected by the fact the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transferee.

"Registration of a transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the company on any account whatsoever except a lien on the shares".

Notice of
refusal to
be given to
transferor and
transferee

53. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and transferor or the person giving intimation of the transmission as the case may be, and thereupon the provision of Section 111 of the Act or any statutory modification thereof or any other relevant law shall apply.

Transfer by
legal repre-
sentative

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 execution of the instrument of transfer.

55. The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more. **Custody of transfer**
56. The Directors shall have power on giving not less than seven days previous notice by advertisement as required by Section 154 of the Act to close the transfer books of the Company for such period or periods of time not exceeding in whole 45 days in each year but not exceeding 30 days at a time as the Board may deem fit. **Closure of transfer books**
57. In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any shares, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. **Death of one or more joint holder of shares**
- 57A. The executors or administrators of a deceased member or a holder of a succession Certificate (not being one of two or more joint holders) shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such 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 its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased **Title of shares of deceased holder**

member, as a member. Similarly in the case on insolvency or bankruptcy of a member and upon winding up or liquidation of a body corporate which is a member of this Company the Official Assignee, Liquidator/or Receiver appointed by a duly constituted court in the Union of India shall be the only person recognised by the Company as having title to the share registered in the name of such member.

57B. No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.

58. Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the directors shall require either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares; Provided nevertheless that if such person shall elect to have his nominee registered in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of such shares. This clause is herein referred to as the Transmission Clause.

58A. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for, any dividends or other money payable in respect of the share.

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.

60. Every transmission of a share shall be verified in such manner as the Directors may require and the company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
61. There shall be paid to the Company in respect of the transfer or transmission of any number of shares to the same party, such fee if any, as the Directors may require. Provided that Board may waive levy of fee under this Article generally or in any particular case. Fee on transfere or transmission
62. 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 the same shares notwithstanding that the Company may have had notice of equitable right title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the company and the Company shall not be bound or required to regard to attend or give effect or any notice which may be given to them of any equitable right, title or interest, or be under any liability whatever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit. Company not liable for disregard of notice prohibiting registration of transfer

CONVERSION OF SHARES INTO STOCK

63. The Company may, by ordinary resolution of the Company in General Meeting. Conversion of shares into stock and reconversion
- (a) convert any paid-up shares into stock;
- and
- (b) re-convert any stock into paid-up shares of any denomination.

**Transfer
of stock**

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

**Rights of
stockholders**

65. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except dividends, participation in profits of the company and in the assets on winding up) shall be conferred by an amount of amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
66. Such of the regulations of the company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "shares" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

JOINT-HOLDERS

Joint holders

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

**Company may
refuse to
register more**

- (a) The Company shall be entitled to decline to register more than 3 persons as the joint-holders of any share;

**Joint and Several
liability for all
payments in
respects of shares.**

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

- (c) On the death of any such joint-holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Title of survivors
- (d) Any one of such joint-holders may give effectual receipts of any dividends or other monies payable in respect of such shares. Receipt of one sufficient
- (e) Only the person whose name stands first Register of Members as one of the joint-holder of any shares shall be entitled to delivery of the certificate relating to such share or to receipt documents (which expression shall be deemed to include all documents referred to in Article 189) from the company and any documents served on or sent to such person shall be deemed service on all the joint holders.
- (f) Any one of two or more joint holders may vote at any meeting either personally or by attorney duly authorised under a power of attorney of proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or attorney then that one of such persons so present whose name stand first or higher (as the case may be) on the register in respect of such share shall alone be entitled to vote in respect thereof. Provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by an attorney duly authorised under power of attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher as the case may be in Register in respect of such shares. Several Executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purposes of this sub-clause be deemed joint holders.

BORROWING POWERS

Power to
borrow

68. Subject to the provisions of the Act and these Articles, and without prejudice to the other powers conferred by these Article the Directors shall have the power from time to time at their discretion to borrow any sum or sums of money for the purposes of the company provided that the total amount borrowed at any time together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not without the consent of the company in general meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

Condition on
which money
may be
borrowed

69A. Subject to the provisions of the Act and these Articles the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the company (both present and future) including its uncalled capital for the time being.

Mortgage of
uncalled
capital

69B. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles made calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed or if permitted by the Act may by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or un-conditionally and either presently or contingently and either to the exclusion of the Director's power or otherwise and shall be assignable if expressed so to be.

- 69C. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company the Directors may execute or cause to be executed any mortgage charge or security over or effecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. Indemnity may be given
70. Any bonds, debentures, debenture-stock, or other securities issued or to be issued by the Company shall be under the control of the Directors who may issued them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company. Boards, debentures etc. to be subject to control of Directors
71. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Securities may be assignable free from equities
72. Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting accorded by a Special Resolution. Terms of issue of Debentures

The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act or all mortgages, debentures, and charges specifically affecting the property of the Company's 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, so far as they fall to be complied with by the Board.

The Company shall, if at any time it issued debentures, keep Register and Index of Debenture-holders in accordance with Section 152

of the Act. The Company shall have the power to keep in any State or country outside India a branch Register of Debenture-holders resident in that State or Country.

GENERAL MEETINGS

CONVENING MEETING

Annual
General
Meeting

73.

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extra Ordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Register under the provision of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours, on a day that is not a public holiday, and shall be held at the Registered Office of the Company or some other place within the city in which the office of the Company is situate as the Board may determine and the Notices calling the meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix time for its subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditor's Report (if no already incorporated in the Audited Statement of Accounts), the Proxy Register with proxies and the Register of Director's shareholding

which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Captial Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.

74. All General Meeting other than Annual General Meetings shall be called Extraordinary General Meetings. Extraordinary
General
Meeting
75. The Board of Directors may call an Extraordinary General Meeting whenever they think fit. Directors may
call Extraordinary
General Meeting
76. (1) The Board of Directors shall, on the requisition of such numbers of the members of the Company as hold in regard to any matter at the date of deposit of the requisition not less than one tenth of such of the paid up capital of the Company as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call and Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (including the provisions below) shall be applicable.
- (2) The requisition shall set out the matters for the consideration for which the meeting is to be called, shall be signed by the requisitioners, and shall be deposited at the Registered Office of the Company.
- (3) The requisition may consist of several documents in like form, each signed by one or more requisitioners.
- (4) Where two or more distinct matters are specified in the requisition, the provisions of sub-article (1) above shall apply seperately 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 sub-clause is fulfilled.

- (5) If the Board of Directors does not, within twenty one days from the date of 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 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 sub-article (1) above whichever is less.
- (6) A meeting called under sub-article (5) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible as that in which meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of deposit of the requisition.
- (7) Any reasonable expense 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 the services to such of the Directors as were in default.

Notice of
Meeting

77. (1) A General Meeting of the Company may be called by giving not less than 21 days' notice in writing.
- (2) However, a General Meeting may be called after giving shorter notice than 21 days, if the consent is accorded thereto;
 - (i) in the case of an Annual General Meeting by all the members entitled to vote thereat; and
 - (ii) in the case of any other meeting, by members of the company holding

not less than 95% of such part of the paid up share capital of the Company as gives a right to vote at that meeting.

PROVIDED THAT where any members of the Company are entitled to vote only on some Resolution or resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this sub article in respect of the former Resolution or Resolutions but not in respect of the latter.

78. (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. Contents of Notice
- (2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member of the company.
- (3) In case of an Annual General Meeting if any business other than (i) the consideration of the Accounts Balance Sheets and Report of the Board of Directors and Auditors, (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted and in the case of any other meeting in any event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director, and the Manager (if any). Where any such item of special business related to, or affects any other company, the extent of share holding interest in other company of every Director, and the Manager if any, of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than

20 per cent of the paid up share capital of that other company. where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified in the statement aforesaid.

Service of
Notice

79. 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 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 assigness of the insolvent, or by any liked description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred. Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under the 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 staement has been forwarded to the member of the Company.

Notice to be
given to the
Auditors

80. Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company, in any manner authorised by Section 53 in the case of any member or members of the Company.

As to omission
to give Notice

81. The accidental ommission 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.

Resolution in
requiring Special
Notice

82. (1) Where by any provision contained in the Act or in these Articles special notice is required of any resolution, notice of

the intention to move the resolution shall be given to the company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which notice is served or deemed to be served and the day of the meeting.

- (2) The company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as 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.

- 82A. No General Meeting, Annual or Extra-Ordinary, shall be competent to enter upon discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened. Meeting not to transact business not mentioned in notice

PROCEEDINGS AT GENERAL MEETING

83. Five members entitled to vote and present shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the business. Quorum at General Meeting
- 83A. A body corporate, Central Government, State Government, Public Trustee being members shall be deemed to be personally present if they are represented in a accordance with Section 187, 187A and 187B respectively of the Act. Body Corporate deemed to be personally present
84. If within half an hour after the time appointed for the holding a General Meeting a quorum be not present the meeting, if convened on the requisition of shareholders, shall be dissolved and, in every other case shall stand adjourned to the same day in the next week at the same time and place or to such other day time and place as the Directors may by notice to the shareholders appoint, If at such adjourned meeting a quorum be not Proceeding when quorum not present

present those members present shall be a quorum and may transact the business for which the meeting was called.

Business confined election of Chairman whilst Chair is vacant 85.

(a) No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.

Business at adjourned meeting

(b) No business shall be transacted at any adjourned meeting other than business which left unfinished at the meeting from which the adjournment took place.

Chairman of Director or Vice Chairman or a Director to be Chairman of General Meeting 86.

(a) The Chairman (if any) of the Board of Directors shall, if willing, prescribe as chairman at every General Meeting, whether Ordinary or Extraordinary, but if there be no such chairman, or in case of his absence or refusal, the Vice-chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at such meeting and if there be no such vice-Chairman or in case of his absence or refusal, any one of the Directors present shall be appointed to be Chairman of the meeting and in case of their absence or refusal any one of the member shall be appointed as chairman.

87. The Chairman with the consent of any meeting at which a quorum is present, or on his own may adjourn any meeting from time to time and from place to place in Bombay.

Notice to be given where a meeting adjourned for 30 days or more 88.

When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

What would be the evidence of the passing of a resolution where poll not demanded 89.

At any General Meeting, a resolution put to the vote of the meeting shall unless a poll is demanded be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive

evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

90. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution, or on which an aggregate sum of less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand. Demand for poll
91. A poll demand 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 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 and the result of the poll shall be deemed to be decision of the Meeting on the resolution on which the poll was taken. Time and manner of taking poll And Scrutiness at poll
92. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to count the votes given on the poll and to report thereon to him. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and to fill vacancies in the office of the scrutineers arising from such removal or from any other cause. Of the two scrutineers appointed, under this Article, one shall always be a member (not being an officer or employees of the Company) present at the meeting, provided such a member is available and willing to be appointed. Scrutineers at Poll
93. The demand for a poll shall not prevent the continuance of a meeting of the transaction of any business other than the question on which the poll has been demanded. Demand for poll not to prevent transaction of other business

- Motion how decided in case of equality of votes
94. In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.
- Reports, Statements and Registers to be laid on the table
95. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and audited statement of accounts, Auditors' Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Directors' Holding maintained under Section 307 of the Act. the Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.
- Inspection of minute books of General Meetings
96. The book containing the minutes of General Meetings, 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 at the Company may by these Articles or in general meeting impose in accordance with section 196 of the Act. Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of the minutes on payment of prescribed charges for the same.
- Publication of reports of proceedings of General Meeting
97. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 193 of the Act to be contained in the minutes of the proceedings of such meeting.

VOTES OF MEMBERS

- Votes may be given by proxy or attorney
98. Subject to the provisions of the Act and these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate also by a representative duly authorised under Section 187 of the Act and Articles 100.
- Number of Votes to which Member entitled
99. (1) Subject to the provisions of the Act and these Articles, upon a show of hands

every member entitled to vote and present in person (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 187 of the Act and Article 100) or by attorney or in the case of a body corporate by proxy shall have one vote.

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

(a) In respect of every equity share his voting right shall be in proportion to his share of the total paid up equity capital of the Company.

(b) In respect of every preference share his voting right shall be limited only to those resolutions which, directly affect the rights attached to the preference shares, subject to the Section 87 of the Act.

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

No voting by proxy on show of hands

101. Any person entitled under the Transmission Article (Article, 58 hereof) may vote at any General Meeting in respect thereof as if he was the registered holder of such shares provided that at least 48 hours before the time of holding the meeting or adjourned meeting as the case may be which he proposes to vote he shall satisfy the Directors of his right to transmission of such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Votes in respect of shares of deceased insolvent members

No member to
vote unless
calls are
paid up

102. Subject to the provisions of the act no member shall be entitled to vote at any General Meeting either personally or by proxy or attorney whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member or in regard to which the Company has and has exercised, any right of lien.

Right of member
to use his
votes
differently

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

Proxies

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

Appointment
of proxy.

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

Deposit of
instrument of
appointment

106. (1) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof shall be deposited at the office of the Company not less than forty-eight hours before the time 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. An attorney shall not be entitled to vote unless the power of attorney or other authority has been registered in the records of the Company may by notice in writing addressed to the member or the attorney given at least fourteen days before the meeting require him to produce the original power of attorney or authority and unless the same is thereon deposited with the Company not less than forty eight hours before the time fixed for such meeting as aforesaid, unless the directors in their absolute discretion excuse such non-production and deposit, he shall not be entitled to vote.

- (2) Every member entitled to vote at a meeting of the company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company. Inspection of proxies
107. A vote given in accordance with the terms of an instrument of proxy or a power of attorney shall be valid notwithstanding the previous death of the principal or revocation of the proxy or the power of attorney as the case may be or of the power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death, revocation or transfer shall have been received by the Company before the meeting. Validity of votes given by proxy notwithstanding death of member, etc.
108. Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by any means hereby authorised and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever. Time for objections to vote
109. Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting, and subject as aforesaid the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. Chairman of any meeting to be the judge of validity of any vote
- 109A. Minutes of General meetings and inspection thereof by Members.
- (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting

concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.

- (ii) 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 same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (v) all appointment of officers made at any meeting aforesaid shall be included in the minutes of the meeting.
- (vi) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (a) is or could reasonably be regarded as defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interest of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (vii) Any such minutes shall be evidence of the proceedings recorded therein.
- (viii) The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during the business hours, for such periods not being less in the aggregate than two hours in each day as

the Directors determine, to the inspection of any member without charge.

DIRECTORS

110. Until otherwise determined by a General Meeting the number of Directors shall not be less than three nor more than twelve. Number of Directors

111. The Present Directors of the Company are :

1. SHRI VERSHI KHIMJI SAVLA
2. SHRI MULJI UMARSHI SAVLA
3. SHRI PRATAP GOPALDAS DAWDA
4. SHRI THAKARSHI MEGHJI GOSHER
5. SHRI JETHALAL LALJI VORA
6. SHRI SHANTILAL DHANJI DEHIA
7. SHRI RAJENDRA DHANJI DEHIA

112. 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 stocks of some person to be a Director of the company and may empower such trustees or holders of debentures or debenture-stocks, from time to time to remove any Director so appointed. The Directors 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. Debenture Director

NOMINEE DIRECTOR

113. Notwithstanding anything to the contrary contained in these Articles so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Nominee Director

Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), The Industrial Reconstruction Corporation of India Limited (IRCI), Life Insurance Corporation of India (LIC), Unit Trust of India (UTI), General Insurance Corporation of India (GIC), National Insurance Company Limited (NIC) The Oriental Fire and General Insurance Company Limited (OFGI), The New India Assurance Company Limited (NIA), United Insurance Company Limited (UI) or a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government or a State Government by themselves (each of the above is hereinafter in this article referred to as "the Corporation") out of any loans debenture assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time, (which Director or Directors, is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also of the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. The Company agree that if the Board of Directors shall of the Company has constituted or proposes to constitute any management committee or other committee(s), it shall if so required by the Corporation include the Nominee Director as a member of such management committee or other Committee/s subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long the Corporation holds or continues to hold office debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said powers shall ipso facto vacate such office immediately on the monies owing by the Company to the Corporation are paid of or on Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all general meetings, board meetings and of the meetings of the committee of which the Nominee Director/s is/are member/s as also the minutes of the such meetings. The Corporation shall also be entitled to receive all such notice and minutes.

The Nominee Director/s shall be entitled to the same sitting fees commission remuneration and expenses as are applicable to the other directors of the Company. The Company shall pay the sitting fees and other expenses to the Nominee Director/s directly but the commission remuneration or other monies and fees to which the Nominee director/s is entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation.

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

Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or directorship shall also be paid or reimbursed by

the Company to the Corporation as the case may be to such Nominee Director/s.

Provided also that in the event of Nominee Director being appointed as the whole time Director/s so Nominee Director/s shall exercise such powers to duties as may be approved by the Corporation such rights as are usually exercised or available a whole time Director in the management of the affairs of the Company. Such whole time Directors shall be entitled to receive such remuneration for the commission and monies as may be approved by the Corporation.

Appointment
of Alternate
Director

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

Casual
Vacancy

115. Subject to the provisions of Sections 262 and 284(6) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director whose period of office is liable to determination by retirement by rotation may be filled up by the Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if the vacancy had not occurred.

Appointment
of Additional
Director

116. Subject to the provisions of Sections 260 and 284(6) and other applicable provisions (if any) of the Act, the Directors shall have

powers at any time and from time to time to appoint a person as an Additional Director. The Additional Director shall hold office only upto the date of the next Annual General Meeting, but shall be eligible for re-election.

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

118. (1) The maximum remuneration of a Director for his services shall be such sum as may be prescribed by the Act or the Central Government from time to time, for each meeting of the Board of Directors attended by him. Each director shall be entitled to be paid his reasonable travelling expenses incurred by him whilst employed in the business of the Company. The Directors may, subject as aforesaid, allow and pay to any director who is not a bonafied resident of the place where a meeting is to be held and who shall come to such place from a place within India for the purpose of attending a meeting such sum as the directors may consider fair compensation for travelling expenses, in addition to his fee for attending such meeting as above specified.

Remuneration
to Director

(2) If any director, being willing, shall be called upon to perform extra services, or to make any special exertions to going or residing out of city of his residence or otherwise for any of the purposes of the Company, the Company shall subject to the limitation provided by the Act remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Special remuneration to Director on Company's business or otherwise performing extra-services

119. The continuing Directors may act notwithstanding any vacancy in their body but if so long as their number is reduced below the minimum number fixed by these Articles, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number or for summoning a

Directors may act notwithstanding vacancy

General Meeting of the Company but for no other purpose.

When office
of Directors to
become vacant

120. Subject to the Sections 283(2) of and 314 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 date fixed for the payment of call unless the Central Government has been modified in the Official Gazettee removed disqualification incurred by such failure; or
- (e) he absents himself from these consecutive of the Directors or from all meetings of Directors for a continuous period of three or whichever, is longer, without leave of a from the Board; or
- (f) he becomes disqualified by an order of the under Section 203 of the Act; or
- (g) he is removed in pursuance of Section 284; or
- (h) he (whether by himself or by any person his benefit or on his account) or any first which he is a partner or any private company which he is a Director, accepts a loan any guarantee or security for a loan, from the Company in contravention of Section 291 the Act; or
- (i) he acts in contravention of Section 299 to Act; or

- (j) he is convicted by a court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or
- (k) having been appointed a Director by virtue his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
- (l) he resigns his office by a notice in writing addressed to the Company.

121. (1) Except with the constant of the Board of the Directors of the Company, and the Central Government, if required, a Director of the Company or his relative a firm in which he such Director or relative is a partner any other partner in such a firm or a private Company of which the Director is a member or Director shall not enter into any contract with the Company.

Directors may contract with the Company

- (a) for the sale purchase or supply of any goods materials or services; or
 - (b) for underwriting the subscription of any shares in, or debentures of the Company.
- (2) Nothing contained in-sub-clause (a) of Clause (1) shall affect;

- (a) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company, by any Director, relative firm, partner or private company or as aforesaid for cash at prevailing market prices; or
- (b) any contract or contracts between the Company on the one side and such Director, relative, firm, partner, or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative,

firm, partner or private company, as the case may be regularly trades or does business; PROVIDED THAT such contracts or contracts do not relate to goods and materials the value of which or services the cost of which, exceed five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

- (3) Notwithstanding anything contain in sub-clauses (1) and (2) of this Article, a Director, relative firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods or materials or services, even if the value of such goods or cost of such services exceeds five thousands rupees in the aggregate in any year comprised in the period of the contract, but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.
- (4) Every consent of the Board required under this Article shall be accorded by resolution passed at a meeting of the Board and not otherwise, and the consent of the Board required under sub-clause (1) of this Article shall not be deemed to have been given within the meaning of the sub-clause unless the consent is accorded benefit the contract is entered into or within three months of the date on which it was entered into.
- (5) If the consent is not accorded to any contract under this Article, anything done in pursuant of the contract shall be voidable at the option of the Board.

Directors
may be directors
of the Companies
promoted by
the Company

122. A director may be or become a Director of any company promoted by the company or in which it may be interested as a Vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or shareholder of such company except in so far as Section 309(6) or Section 314 of the Act may be applicable.

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

RETIREMENT AND ROTATION OF DIRECTORS

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

Retirement by rotation

(2) The remaining Directors shall be appointed in accordance with the provisions of these Articles.

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

Directors to retire annual how determined

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

Ascertainment of Directors retiring by rotation

reappointment is decided or his successor is appointed.

Eligibility for re-appointment

127. Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment.

Company to fill up vacancy

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

Provision in default of appointment

129. (1) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday 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 is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless.

(a) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has not been put to the meeting and lost;

(b) the retiring Director has, by a notice in writing addressed to the company or its Board of Directors, expressed his unwillingness to be so re-appointed.

(c) he has not qualified or is disqualified for appointment;

(d) a resolution whether special or ordinary, is required for the

appointment or re-appointment in virtue of any provisions of the Act;

- (e) proviso contained in Sub-Section(2) of Section 263 of the Act is applicable to the case.

130. (1) subejct to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of director at any general meeting, if he or some member intending to propose him has at least fourteen clear days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be, along with a deposit of Rs.500/- which shall be refunded to such person, or, as the case may be, to such member, if the person succeeds in getting elected as a Director.
- Notice of candidature for office of Director

The Company shall inform its members of the candidature of a person for the office of the director or the intention of the member to propose such person as a candidate for that office, by serving individual notice on the members not less than seven days before the meeting. Provided that it shall not be necessary, for the Company to serve individual notice upon, the members as aforesaid of the company advertises such candidature or intention not less than seven days before the meeting in at least 2 newspaper circulated in the place where registered office of the Company is situated, of which one is published in english language and the other in the regional language of that place.

- (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 Section 257 signifying his candidature for the office of the 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) 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.
- (c) a person named as a Director of the Company under its Article as first registered.
- (d) shall not act as a Director of the Company unless he has within 30 days of his appointment signed and filled with the Registrar his consent in writing to act as such director.

Individual
resolution for
Directors'
appointments

131. 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.

The Company
may increase or
reduce the
number of
Directors and
alter them
qualification

132. Subject to the provisions of the Act and these Articles, the Company may by Ordinary Resolution from time to time to increase or reduce the number of Directors within the permissible maximum number under the Articles as first registered but any increase beyond that number shall not have any effect unless accepted by the Central Government and shall become void if and so far as it is disapproved by that Government.

PROCEEDINGS OF BOARD OF DIRECTORS

133. The directors may meet together as a Board for the despatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Director may adjourn and otherwise regulate their meetings and proceedings as they deem fit, the provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of Board which had been called in compliance with the terms herein mentioned could not be held for want of a quorum. Meetings of Directors
134. A Director may at any time and the secretary shall at the request of a Director of a Company convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Directors. When meetings to be convened
135. 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 Directors excluding directors, if any, whose places may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher, Provided that where at any time the number of interested directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested and are present at the meeting, not being less than two shall be the quorum during such time. Any meeting at which quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally. Quorum
136. If a meeting of the Board cannot be held for want of a quorum, then the meeting shall adjourned to such day, time and place as the Director or Directors present at the meeting may fix. Adjournment of meeting for want of quorum

- Chairman 137. (1) The Directors may elect a Chairman of their meetings and may determine the period for which he is to hold office.
- Vice Chairman (2) The Directors may appoint a Vice Chairman of the Board of Directors to preside at meetings of the Directors at which the Chairman shall not be present.
- Who to preside at meetings of the Board 138. All meetings of the Directors shall be presided over by the Chairman if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same, the Vice Chairman, if present shall preside and if he be not present at such time then and in that case the Directors shall choose one of the Directors then present to preside at the meeting.
- Questions at Board Meetings how decided 139. Questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.
- Directors may appoint Committees 140. Subject to the provisions of Section 292 of the Act and Article 148, the Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit and they may from time to time revoke and discharge any such committee either wholly or in part, and either as to persons or purposes; but every committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such committee in conformity with such regulations and in fulfilment of the purposes of their appointment but no otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act the Board may, from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the board in terms of these Articles, and may pay the same.
- Meetings of Committees how to be governed 141. The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the

same as applicable thereto and are not suppressed by any regulations made by the Directors under the last preceding Article.

142. (1) A resolution passed by circular, without a meeting of the Board or a committee of the Board appointed under Article 140 shall subject to the provisions of sub-clause 2 hereof and Act be as valid and effectual as resolution duly passed at a meeting of the Directors or of a committee duly called and held.

Resolution by
Circular

(2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India (not being less in number than the quorum for a meeting of the Board or committee as the case may be), and to all other Directors or members of the Committee at their usual address in India and has been approved by such of the Directors or members of the committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

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

143. 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 persons acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

Acts of Board
or Committee
valid notwithstanding defect
of appointment

Minute of proceedings of Board of Directors and Committees to be kept

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

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

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

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

POWERS OF THE DIRECTORS

General powers of the Directors

146. (1) Subject to the provisions of the Act and these Articles the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; Provided

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

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

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

Consent of Company necessary for the exercise certain powers.

- (a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, 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 after 1st April 1956 of any such undertaking as is referred to in sub-clause (a) above, or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- (d) borrow moneys in excess of the limits provided in Article 68;
- (e) contribute, to charitable and other funds not directly relating to the

business of the Company or welfare of its employees, any amount the aggregate of which will, in any financial year, exceed fifty thousand rupees or five percent of its average net profits as determined in accordance with the Act during the three financial years, immediately preceding, whichever is greater.

Certain powers to be exercised by the board only at meeting

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

- (a) The power of make calls on shareholders in respect of money unpaid on their shares;
- (b) The power to issue debentures;
- (c) The power to borrow moneys otherwise than on debentures;
- (d) The power to invest the funds of the company;
- (e) The power to make loans;

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

- (2) Every Resolution delegating the power referred to in sub-article (1)(c) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate,. Provided however, that where the Company has an arrangement with its Bankers for the borrowings of moneys by way of overdraft,

cash credit or otherwise the actual day to day operation of the overdraft, cash credit or other accounts by means of which the arrangement so made is availed of shall not require the sanction of the Board.

- (3) Every resolution delegating the power referred to in sub-clause (1)(d) shall specify the total amount up to which the funds may be invested and nature of the investments which may be made by the delegates.
- (4) Every resolution delegating the power referred to in sub-clause (1)(e) shall specify the total amount up to which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual case.
- (5) Nothing in this Article contained shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers, referred to in (a), (b), (c), (d) & (e) of clause 1 above.

149. Without prejudice to the powers conferred by Articles 68 and 146 and so as not in any way to limit or restrict these powers, and without prejudice to the other conferred by these Articles, by subject to the restrictions contained in the last preceding two Articles, it is hereby declared that the Directors shall have the following powers, that is to say power :-

Certain powers
of the Board

- (1) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of Section 76 and 208 of the Act and Articles 22 and 158.
- (2) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company, any shares, securities or other property

- rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit.
- (3) At their discretion and subject to the provisions of the Act, to pay for any property or rights acquired by or services rendered to the company, either wholly or partially in cash, or in shares, bonds, debentures, debenture-stock or other securities of the company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any such bonds, debentures, debenture-stock or other securities may be either specifically charged upon all or any part of the property of the company and its uncalled capital or not so charged.
 - (4) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the company and to sell, assign, surrender or discontinue and policies of assurance effected in pursuance of this power.
 - (5) To open accounts with any bank or bankers or with any Company firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.
 - (6) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge or 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.
 - (7) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or

property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.

- (8) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof, so far as may be permissible by law.
- (9) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such of trustee or trustees.
- (10) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the company and also to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company.
- (11) To refer any claim or demand by or against the Company or any differences to arbitration and observe and perform any awards made thereon.
- (12) to act on behalf of the Company in all matters relating to bankrupts, and insolvents.
- (13) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (14) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividends warrants, releases, contracts, and documents and to give the necessary authority for such purposes.

- (15) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof; upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, provided that save as permitted by Section 49 of the Act, all investments shall be made and held in the Company's own name.
- (16) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants, provisions and agreements as shall be agreed on.
- (17) To give to any Director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company.
- (18) (a) To provide for the welfare of employees or ex-employees of the Company or its predecessors in business and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profits 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 any other form of assistance welfare or relief as the Directors shall think fit.

- (b) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other institutions, objects or purposes, or for any exhibition.
- (19) Before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation, or to a Depreciation Fund, General Reserve, Reserve or Reserve Fund, Sinking Fund, Insurance Fund 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 and for special dividends, and for equalising, dividends, and for repairing, improving, extending and maintaining any part of the property of the Company and/or for such other purposes, (including the purposes referred to in the last two preceding sub-clauses) as the Directors may, in their, absolute discretion think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part of thereof may be matters to or upon which the capital moneys of the

Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above the assets constituting all or any of the above funds or accounts, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Redeemable Preference Shares, Debentures, or debenture-stock, and that without being bound to keep the same separate from the other assets, and without being bound to pay or allow interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

- (20) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents, and employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit and the provisions contained in Sub-Clause 22, 23, 24, and 25 following shall be without prejudice to the general powers conferred by this sub-clause.
- (21) To comply with the requirements of any local law which in their opinion it shall in the interests of the Company be necessary or expedient to comply with.
- (22) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, or any managers, agents and to fix their remuneration.

- (23) Subject to the provisions of Section 292 of the Act and Article 148 from time to time to delegate to any such Local Board, or any member or members thereof or any managers or so appointed any of the powers, authorities and discretion for the time being vested in the Board of Directors, and to authorise the members for the time being of any such Local Board, in any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation under Sub-clause 22 if this Article may be made on such terms, and subject to such conditions as the Board of Directors may at any time remove any person so appointed, and may annual or vary any such delegation.
- (24) At any time and from time to time by power of Attorney or to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles) and for such period and subject to such conditions as the Board of Directors may from time to time think fit; and any such appointment may (if the Board of Directors think fit be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any Company, or the members, directors, nominees or managers of any company or firm or otherwise in favour of any body of persons whether nominated directly or indirectly by the Board of Directors and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board of Directors may think fit and may contain powers enabling any such delegates or Attorneys as aforesaid sub-delegate all or any of the powers, authorities and discretions for time being vested in them.
- (25) Generally subject to the provisions of the Act and these Articles to delegate

the powers, authorities and discretions to any person, firm, company, or fluctuating body of persons as aforesaid.

- (26) Subject of 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 the matters aforesaid or otherwise for the purposes of the Company.

MANAGING DIRECTOR

Power to
appoint
Managing
Director

150. Subject to the provisions of Sections 267, 268, 269, 310, 311, 316 and 317 and other applicable provisions of the Act and of these Articles the Directors may from time to time, appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall be included a joint a Managing Director and Executive Director) of the Company for such term not exceeding five years at a time as they may think fit and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

What provision
he shall be
subject to.

151. Subject to the provisions of the Act and of these Articles, a Managing Director shall not while he continues to hold that office, be subject to retirement by rotation under Article 124 and he shall not be taken into account in determining the rotation of retirement of Directors but he shall not be taken into account in determining the rotation of retirement of Directors of the Company but he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director if he ceases to hold the office of Director from any cause. Provided that if at any time the number of Directors (including Managing Director) as are not subject to retirement by rotation shall

exceed one-third of the total of the Directors for the time being then such Managing Director or Managing Directors as the Directors shall from time to time select shall be liable to retirement by rotation.

152. The remuneration of a Managing Director (subject to section 309 and other applicable provisions of the Act and these Articles and of any contract, between him and Company) shall from time to time be fixed by the Directors and may be by way of fixed salary, or commission on profits of the Company, or by participation in any such profits or by any, or all of those modes. Save as aforesaid a Managing Director shall not receive or be paid any commission on sales or purchase made by or on behalf of the Company.

Remuneration of
Managing
Director

153. Subject to the supervision and control of the Board of Directors the day-to-day managements of the Company shall be in the hands of the Managing Director. The Directors may from time to time entrust to and confer upon a Managing Director for the time being subject to the provisions of Articles 148 and these Article and the Act such of the powers exercisable under these presents by the directors as they may think fit and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as they think expedient, and they may subject or to the exclusion of and in substitution for all or any of the powers of the collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all any of such powers.

Powers and
duties of
Managing
Directors

REGISTERS, BOOKS AND DOCUMENTS

154. (1) The Company shall maintain Registers, Books and Documents in conformity with the applicable provisions of the Act and shall be kept open for inspection by such persons as may be entitled thereto respectively under the act, on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act, or these Articles and extracts shall be

supplied to the persons entitled thereto in accordance with the provisions of the Act or these Articles.

- (2) The Company may keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act. Subject to the provisions of Section 157 and 158 the direct the Directors may from time to time make such provisions of as they may think fit in respect of the keeping of such Branch Register of Members and/or Debentureholders.

THE SEAL

Seal

155. The Directors shall provide a Seal for the purpose of the Company, and shall have power from time ot time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the seal shall never be used except by or under the authority of the Directors or a Committee of Directors previously given.

Deeds how
executed

156. Every Deed or other instrument of 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 one Director only or by an Attorney of the Company duly authorised in this behalf and certificate of shares as provided by Article 23.

Seal Abroad.

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

INTEREST OUT OF CAPITAL

Payment of
interest
out of
capital

158. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provisions of any plant, which cannot be made profitable for a lengthened 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 the Section 208 of the Act, and may charge the same to capital as part of the cost of construction of the work or building or the provision of plant.

DIVIDENDS

159. The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid up on a share during the period in respect of which a dividend of such share to an apportioned amount of such dividend as from time date of such payment. Division of profits.
160. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits. Capital paid up in advance at interest not to earn dividend
161. The Company may paid dividends in proportion to the amount paid up or credited as paid up on cash shares, where a larger amount is paid up or credited as paid up on some shares than on others. Dividends in proportion to amount paid up.
162. The company in General Meeting may subject to Section 205 of the Act declare a dividend to be paid to the members according to their respective rights and interests in the profits and subject to the provisions of the Act may fix the time for payment. When a dividend has been to declared, the warrants in respect thereof shall be posted within forty-two days from the date of the Declaration to the shareholder entitled to the payments of the same. The Company in General Meeting may declare a dividend.
163. 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 but of the profits of the year or any other undistributed profits or otherwise than in accordance with the provisions of Sections 205, 206 and 207 of the Act and no dividend shall carry interest as against the Company. Power of Directors to limit dividend

- Interim Dividend
164. Subject to the provisions of the Act, the Directors may from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.
- Retention of dividends until completion of transfer under Article 64.
165. Subject to the provisions of the Act the Directors may retain be dividends payable upon shares in respect of which any person is, under that Articles is entitled to transfer until such person shall become a member in respect of such shares or shall duly tranfer the same.
- No member to receive dividend whilst indebted to the company & company's right of reinbursement thereout.
166. Subject to the provisions of the Act no members shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever either alone or jointly with any other persons; and the Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.
- Transfers of shares must be registered
167. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
- Dividends, how remitted
168. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled, or in case of joint holders to that one of them first named in the register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant of the fraudulent of improper recovery thereof by any other means.
169. If the Company has declared a dividend but which has not been paid within 42 days from the date of declaration to any shareholder entitled to the payment of the dividend the Company shall within 7 days from the date of Expiry of the said period of 42 days transfer

the amount of dividend which remains unpaid within the said period of 42 days to a special account to be opened in that behalf in any scheduled bank called "the unpaid dividend account of Goradia Forge Limited".

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the General revenue account may be preferred to the Central Government by the shareholders to whom the money is due. No unpaid dividend shall be forfeited by the Board.

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

CAPITALISATION AND CAPITAL APPRECIATION AND RESERVE

171. (1) Any General Meeting may resolve that any amounts standing to the credit of the share premium account or the capital redemption, reserve account or any monies, investments or other assets forming part of the undividend 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 credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the company and available for dividend be capitalised.
- Capitalisation.
- (a) by the issue and distribution as fully paid up of shares, bonds or other obligations of the company, or

- (b) by crediting shares of the company which may have been issued and are not fully paid up, 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 or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the company to be issued to members (as herein provided) as fully paid bonus shares.

- (2) Such issue and distribution under (1)(a) above and such payment to credit of unpaid share capital under (1)(b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and 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 (1)(a) or payment under (1)(b) above shall be made on the footing that such members become entitled thereto as capital.
- (3) The Directors shall give effect to any such resolution and apply such portion of the profits General Reserve, or Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture stock, bonds or other obligations of the company so distribute under (1) (a) above (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1)(b) above provided that no such distribution or payment shall be made unless recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised sum.
- (4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard

to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of 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 sums so applied in the payment of such further shares in the extinguishment or diminution of the liability on the partly paid shares shall be so applied prorata 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 filled 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.

172. Provided, however, that the provisions of this Article shall not apply to any appreciation or deficit resulting upon sale or transportation of investment or realisation of other capital asset which has taken place within a period of two years from the date of

Capital
appreciation
and reserve

acquisition of the said asset and which in the opinion of the Directors need not be controlled by the foregoing provisions.

Investment
of moneys

173. All sums carried and standing to the Capital Reserve may, (pending any other application thereof authorised by these Article), be invested together with any other moneys of the company and without it being necessary to keep separate or distinguish between the investment of the capital reserve or investments of any fund or of other moneys of the company. The Directors may vary any such investments as and when they think fit.

ACCOUNTS

Books of
account to
be kept.

174. (1) The company shall keep at its registered office proper books of account with respect to :

- (a) all sums of moneys received and expended by the company and the matters in respect of which the receipt and expenditure take place;
- (b) all sales and purchases of goods by the company; and
- (c) the assets and liabilities of the company;

Provided that all or any of the books of account offered may be 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 dates at intervals of not more than three months, shall be sent by the branch office to

the company at its registered office or other place in India, as the Board thinks fit, where the main books of the company are kept.

- (3) All aforesaid books shall give a fair and true view of the affairs of the company or of its branch office, as the case may be with respect to the matters aforesaid, and explain its transactions.
 - (4) The books of account and other books and papers shall be open to inspection by any Director during business hours.
 - (5) The books of account of the company relating to a period of not less than either years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.
175. No member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Directors or by the company in General Meeting. Inspection by members of accounts & books of the Company.
176. The Board of Directors shall lay before each Annual General Meeting & Profit & Loss Account for the financial year of the company and a Balance Sheet made up as and the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or where an extension of time has been granted by the Registrar under the provisions of the Act, by more than six months and the extension so granted. Statements of Accounts to be furnished to General Meeting.
177. (1) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the Forms set out in Parts I and III respectively of Schedule VI of the Act, or as near thereto as circumstances admit. Balance Sheet and Profit & Loss A/c.

- (2) There shall be annexed to every Balance Sheet a Statement showing the investments existing on the date as at which the Balance Sheet to which the Statement is annexed has been made out.
- (3) So long as the Company is a holding having a subsidiary the company shall confirm to section 212 and other applicable provisions of the Act.
- (4) If the opinion of the Board, any of the current assets of the company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of the opinion shall be stated.

Authentication
of Balance Sheet
and Profit &
Loss A/c.

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

Profit & Loss A/c
to be annexed
and auditor's
Report to be
attached to the
Balance Sheet.

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

Board's
report to
the attached
to Balance
Sheet.

180. (1) Every Balance Sheet laid before the company in General Meeting shall have attached to it a report by the Board of Directors with respect to the state of the company's affairs; the amounts if any, which it proposes to carry to any Reserve in such Balance Sheet; and the amount, if any, which it recommends to be paid by way of dividend and material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report.
- (2) The report shall, so far as it is material for the appreciation of the state of the company's affairs by its members and will not in the Board's opinion be harmful to the business of the company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the company's business; in the company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the company has an interest.
- (3) The Board shall also give the fullest information in its report or in cases falling under the provision to section 222 of the Act in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not so authorised shall be signed by such number of directors as are required to sign the Balance Sheet and the Profit & Loss Account of the company by virtue of sub-clauses (1) and (2) of Article 178.
- (5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (1) to (3) of this Article are complied with.

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

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

ANNUAL RETURNS

182. The company shall make the requisite annual returns in accordance with Sections 159 and 161 of the act, and shall file with the Registrar three copies of the Balance Sheet and Profit and Loss Account in accordance with Section 220 of the Act. Annual Returns.

AUDIT

183. Once at least in every year the accounts of the company shall be balanced and audited and the correctness of the profit and loss account and Balance Sheet ascertained by one or more Auditor or Auditors. Accounts to be audited.

184. (1) The company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting, and shall within seven days of the appointment, give intimation thereto to every auditor so appointed unless he is a retiring auditor. Appointment of Auditors

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

(a) he is not qualified for re-appointment.

(b) he has given the company notice in writing of his unwillingness to be re-appointed;

(c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or

- (d) where notice has been given of an intended Resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or dis-qualification of that person or of all those persons, as the case may be, the Resolution cannot be proceeded with.
- (3) Where at an Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.
- (4) The company shall, within seven days of the Central Government's power under sub-clause (3) becoming exercisable, give notice of that fact to that Government.
- (5) The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the company in General Meeting.
- (6) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special notice of a Resolution for appointing of that person of the office of Auditor has been given by a member to the company not less than fourteen days before the meeting in accordance with Section 190 of the Act, and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a Resolution that a retiring Auditor shall not be re-appointed.
- (7) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.
- (8) None of the persons mentioned in Section 226 of the Act as not qualified for

appointment as Auditors shall be appointed as Auditors of the company.

185. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch office of the company except to the extent to which any exemption may be granted by the Central Government in that behalf. Audit of branch offices.
186. The remuneration of the Auditors of the company shall be fixed by the company in General Meeting except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors. Remuneration of Auditors.
187. (1) Every auditor of the company shall have the right, of access at all times to the books and vouchers of the company and shall be entitled to required from the Directors and officers of the company such information and explanation as may be necessary for the performance of the duties of the Auditors. Rights and duties of Auditors.
- (2) All notices of, and other communications relating to, any General Meeting of a Company which any member of the company is entitled to have sent to him shall also be forwarded to the Auditor of the company, and the Auditor shall be entitled to attend any General Meeting any General Meeting and to be heard at any Gneral Meeting which he attends on any part of the business which concerns him as Auditors.
- (3) The Auditors shall make a Report to the Members of the company on the accounts examined by him and on every Balance Sheet and Profit & Loss A/c. and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit or Loss Account, which are laid before the company in General Meeting during his tenure of office, and the Report shall state, whether, in his opinion and to the best of his information and according to the explanation given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view :

- (i) in the case of the Balance Sheet, of the state of company's affairs at the end of its financial year, and
 - (ii) in the case of the Profit & Loss Account, of the profit or loss for its financial year.
- (4) The Auditor's Report shall also state :
- (a) Whether he has obtained all the information and explanation and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
 - (b) Whether, in his opinion, proper books of accounts as required have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purpose of his audit have been received from branches not visited by him;
 - (c) Whether the report on the accounts of any branch office audited under Section 228 by a person other than the company's auditor has been forwarded to him as required by clause (c) of sub-section (3) of that Section and how he has dealt with the same in preparing the Auditor's Report.
 - (d) Whether the Company's Balance Sheet, and Profit & Loss Account deal with by the report, are in agreement with the books of account and returns.
- (5) Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 227 of the Act, or in clauses (a), (b), (c) of Sub-Section (3) of Section 227 of the Act, or sub-clauses 4(a) (b) (c) and (d) hereof is answered in the negative or with qualification, the Auditor's Report shall state the reason for the answer.

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

(a) those matters are such as the company is not required to disclose by virtue of any provisions contained in the Act, and

(b) those provisions are specified in the Balance Sheet and Profit & Loss Account of the Company.

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

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

DOCUMENTS AND SERVICE OF DOCUMENTS

189. (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 to his registered address or (if he has no registered address in India) to the address if any within India supplied by him to the Company for the giving of notice to him.

How document is to be served on members.

2) Where a document is sent by post :

(a) Service thereof shall be deemed to be effected properly addressing, preposing and posting a letter continuing the notice provided that where a member has intimated

to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due 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 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.

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

Service on person acquitting shares on death or insolvency of member.

191. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it thorough the post in a prepared letter addressed to them by name or by the title or representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the document in any manner in which the same might have been served if the death or insolvency had not occurred.

Persons entitled to notice of General Meeting

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

- (i) to member of the company as provided by Article 88 in any manner authorised by Articles 189 and 190 as the case may be or as authorised by the Act;
- (ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 191 or as authorised by the Act.
- (iii) to the Audit or Auditors for the time being of the Company, in any manner authorised by Article 189 or the Act in the case of any member or members of the Company.

193. Subject to the provisions of the Act any document required to be served or sent by the Company on or to the members, or any of them, and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in one daily English and one daily Vernacular newspaper circulating in Bombay. **Advertisement**

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

195. Any notice to be given by the Company shall be signed by a director or by such officer as the Directors may appoint, and such signature may be written or printed or lithographed. **Notice by company and signature thereto.**

196. All notice to be given on the part of members to the Company shall be left at or sent by registered post to the Registered Office of the Company. **Service of notices by members.**

AUTHENTICATION OF DOCUMENTS

197. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company **Authentication of documents and proceedings.**

may be signed a Director the managing Director or an authorised officer of the company and need not be under its Seal.

WINDING UP

Distribution
of assets.

198. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. And if in a winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution
in specie
or kind.

199. (1) If the company shall be wound up, whether voluntarily or otherwise, the liquidators may with the sanction of a Special Resoluton divide amongst the contributories inspecie or kind any part of the assets of the Company and may, with the like sanction, west any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

(2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in

excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contribution who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.

- (3) In case any 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 direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable act accordingly.

200. A Special Resolution sanctioning a sale to any other company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the liquidators to 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 dissents and consequential rights conferred by the said section.

Right of
shareholders
in case
of sale

SECURITY CLAUSE

201. No member shall be entitled to visit or inspect the Company's works without the permission of the 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 secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

Security
Clause

INDEMNITY AND RESPONSIBILITY

Directors' and
others' right
to indemnity

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

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

Not responsible
for acts of
others.

203. Subject to the provisions of Section 201 of the Act no Director or Managing Director or other officer of the company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the company through insufficiency or deficiency of title to any property acquired by order of the Director 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 tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.

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

Name, address, description and occupation of Subscribers.	No. of Shares taken by each Subscriber	Signature of Subscribers.	Signature, name, address, description and occupation of witness.
<p>Mr. Vershi S/o Khimji Lakhamshi 15, Shree Sadan, Navghar Road, Mulund (E.), Bombay-400 081.</p> <p>Business</p>	<p>5 (Five) Equity Shares</p>	<p>Sd/-</p>	
<p>Mr. Kantilal S/o Lakhamshi Hirji 6, Ketki Apartment, G. V. S. Lane-2, Mulund (E.), Bombay-400 081.</p> <p>Business</p>	<p>5 (Five) Equity Shares</p>	<p>Sd/-</p>	<p>MAHENDRA H. SHAH S/o Himatlal V. Shah 101, Gokul Bldg., 1st Floor, 80-A, Baroda Street, Iron Market, Bombay-400 009. Chartered Accountants</p>
<p>Total</p>	<p>10 (Ten) Equity Shares</p>		

Bombay, dated this 30th day of March, 1981.