



प्रमाणित प्रतीक

प्रारूप. आई. आर.

Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता.....का सं.....

No.....6715.....of 19 88.....

मैं एतद्वारा प्रमाणित करता हूँ कि आज.....

इंडियन एक्रिलिक्स लिमिटेड

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

I hereby certify that... **INDIAN ACRYLICS LIMITED**

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

मेरे हस्ताक्षर से आज ता.....को दिया गया।

Given under my hand at **JALANDHAR** this **28th**

day... **February**.....One thousand nine hundred and... **Eighty**....

Six (9, Phalguna, Saka, 1907)

(**B.M. JAIN**)

कम्पनियों का रजिस्ट्रार

Registrar of Companies

Punjab, H. P. & Chandigarh



Company No. 6715

कारबार प्रारम्भ करने के लिए प्रमाण पत्र Certificate for Commencement of Business

कम्पनी अधिनियम, 1956 की धारा 149(3) के अनुसरण में
Pursuant of Section 149 (3) of the Companies Act, 1956

Company No. 6715

मैं एतद्वारा प्रमाणित करता हूँ कि.....**इण्डियन एक्रिलिक्स लिमिटेड**.....

जो कम्पनी अधिनियम, 1956 के अधीन तारीख.....को निर्गमित की गई थी और जिस ने आज विहित प्रथम में सम्पूर्ण रूप से स्थापित घोषणा फाइल कर दी है कि उक्त अधिनियम की धारा 149 (1) (क) से लेकर (घ) तक/149(2) (क) से लेकर (ग) तक की शर्तों का अनुपालन किया गया है, कारबार प्रारम्भ करने की हकदार है।

I hereby certify that the...**INDIAN ACRYLICS LIMITED**.....

which was incorporated under the Companies Act, 1956, on the...**28th**... day of.....**February**.....**19 86**, and which has this day filed a duly verified declaration in this prescribed form that the conditions of section -**149(1) (a) to (d)/149(2) (a) to (c)** of the said Act, have been complied with is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख.....को.....में दिया गया।

Given under my hand at.....**J. A. L. A. N. D. H. A. R.**..... this.....**10th**.....day of.....**MARCH**.....One thousand nine hundred and **eighty six**...

(B. M. JAIN)
कम्पनियों का रजिस्ट्रार

Registrar of Companies
Punjab, Himachal Pradesh & Chandigarh

COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
INDIAN ACRYLICS LIMITED

- I. The name of the Company is INDIAN ACRYLICS LIMITED.
- II. The Registered Office of the Company shall be situated in the State of Punjab.
- III. (A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :-
 1. To carry on the business of manufacturing, buying, selling, exchanging, converting, altering, importing, exporting, processing, twisting with or without foreign collaboration and otherwise, handling or dealing in man made fibres, acrylic fibres and tops, rayon, nylon, polyester, silk, staple fibres, nylon tyre cord and such other fibres or fibrous material.
 2. To carry on the business of ginnerers, spinners, knitters, weavers, flax manufacturers, balers, and pressers of all cotton, jute, silk, hemp, wool, hair, rayon and other fibrous materials including man-made fibres and the business of buyers and sellers of, and dealers in cotton, jute, silk, flax, hemp, wool, acrylic, hair, rayon and any other fibrous materials and transacting all manufacturing, curing, preparing, colouring, dyeing or bleaching processes and purchasing and vending the raw materials therefor and purchasing, combing, preparing, spinning, weaving, dyeing, bleaching, printing, manufacturing, selling and otherwise dealing in yarn, linen, cloth and other goods and fabrics made from cotton, jute, flax, hemp, wool, acrylic, hair, rayon and any other fibres or fibrous substances including man-made fibres, weaving and otherwise manufacturing, buying, selling, and dealing in all kinds of cloths and fabrics, whether textiles, felted, netted or looped, and vitriol, bleaching, sizing, dyeing printing and other processing materials.
 3. To carry on all or any of the business of manufacturers of and dealers in all kinds of woollen and other textiles, cloths, linen, nylons, rayon, acrylic, decron, polyester and other synthetic fibres and fibrous substances, silk mercers, silk weavers, flax, hemp and jute spinners, worsted spinners, wool combers and to manufacture, buy, sell, import, export and deal in products and articles manufactured or made from the said materials, textiles, yarns and other fabrics (whether felted, netted or looped) including from substitutes thereof.
 4. To manufacture, produce, process, purchase, sell, import, export or otherwise deal in all types of textile making materials and chemicals in India or anywhere else in the world.
- B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS.
 1. To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company, or which the Company shall consider to be in the nature of preliminary expenses.
 2. Subject to the provisions of the Companies Act, 1956 and other laws upon any issue of shares, debentures or other securities of the Company, to employ brokers, commission agents and underwriters, and to provide for the remuneration of such persons for their services by payment in cash or by the issue of shares, debentures, or other securities of the Company or by the granting of options to take the same, or in other manner allowed by law.
 3. To purchase, take on lease or otherwise acquire for the purpose of the Company, any easements or other interests in real estate, and to sell, let on lease, or otherwise dispose of or grant rights over any real property belonging to the Company.
 4. To purchase or otherwise acquire, erect, maintain, reconstruct and adopt any offices, workshops, mills, plant, machinery and other things found necessary or convenient for the purposes of the Company.
 5. To apply for and take out, purchase or otherwise acquire any designs, trade marks, patents, patent rights or invention, copy-rights or secret processes which may be useful to the Company's objects, and to grant licences to use the same.

6. To manufacture, buy, sell and generally deal in, any plant, machinery, tools, goods, or things of any description, which in the opinion of the Company may be conveniently dealt with by the Company in connection with any of its objects.
7. To receive money on deposit with or without allowance of interests thereon; but not so as to carry on the business of banking.
8. To advance and lend money upon such security as may be thought proper, or without taking any security therefor.
9. To invest the moneys of the Company not immediately required in such manner, other than in shares in this Company, as from time to time may be determined.
10. To acquire by subscription, purchase or otherwise and to accept and take, hold and sell shares or stock in any company, society, or undertaking, the objects of which shall, either in whole or in part be similar to those of this Company or such as may be likely to promote or to advance the interest of this Company.
11. To establish agencies and local boards in India and elsewhere and to regularise and discontinue the same.
12. To amalgamate with any other company having objects altogether or in part similar to those of the Company.
13. To accept stock or shares in, or the debentures, mortgage debentures or securities of other companies having objects similar to this Company.
14. To do all or any of the matters hereby authorised (or any part of the world) either alone or in conjunction with, or as factors, trustees, or agents for any other companies or person or by or through any factors, trustees or agents.
15. To enter into any partnership or arrangement in the nature of a partnership, co-operation to union of interest with any person or persons, Company or Corporation engaged or interested in the carrying on or conduct of any profession, business or enterprises which this Company is authorised to carry on or conduct or from which this Company would or might derive any benefit whether direct or indirect.
16. To take part in the formation, management, supervision or control of the business or operation of any Company or undertaking for the purpose of acquiring any of the property for furthering any of the objects of this Company or otherwise and for that purpose to act as administrators, managers, secretaries, receivers, or in any other capacity as far as permitted by law, and to appoint and remunerate directors, administrators, managers or accountants or other experts or agents.
17. To borrow or raise or secure the payment of money by the issue or sale of debentures, debenture stock, land obligations, mortgages and securities of all kinds, either perpetual or terminable and either redeemable or otherwise, on the undertaking of the Company or upon specific property and rights, present and future of the Company or otherwise howsoever.
18. To give guarantees and carry on and transact every kind of guarantee and counter guarantee business and in particular to guarantee the payment of any principal, moneys, interest or other moneys secured by or payable under any debentures, bonds, stock, mortgages, charges, contract, obligations and securities and the payment of dividends on and the repayment of the capital of stocks and shares of all kinds and descriptions of any company, corporation, firm, or person, in any case, in which guarantee may be considered likely, directly or indirectly, to further the purposes of the Company or the interest of its shareholders.
19. To employ all kinds of labour and personnel for the purposes of the Company.
20. To enter into any arrangements with any Government or authorities, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them, and to obtain from any such Government or authority any rights, privileges and concessions, which the Company may think it desirable to obtain, and to carry out, exercise or comply with any such arrangements, rights, privileges or concessions.
21. To purchase, or otherwise, acquire and undertake, the whole or any interest in the business, profession, goodwill, property, contracts, agreements, rights, privileges, effects and liabilities of any other Company, Corporation, partnership body, person or persons carrying on, or having ceased to carry on, any profession, or business which the Company is authorised to carry on, or possessing property or rights suitable for the purposes of the Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and upon such terms and subject to such stipulation, and conditions, and at or for such price or consideration (if any) in money, shares, money's worth, or otherwise as may be deemed advisable;
22. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertakings and generally or any assets, concessions or properties or rights the Company may propose to acquire.

23. To pay for any property or rights acquired by the Company, either in cash or fully or partly paid shares or by the issue of securities, or partly in one mode and partly in another and generally on such terms as may be determined;
24. To sell, mortgage, lease, grant licences, easements, options and other rights over, improve, manage, develop and turn to account and in any other manner deal with or dispose of such of the undertakings, investments, property, assets, rights and effects of the Company or any part thereof which the company may deem fit and proper for such consideration as may be thought fit;
25. To draw, accept, make, endorse, discount and negotiate bills of exchange and promissory notes and other negotiable or transferable instruments;
26. To procure the registration, incorporation, or recognition of the Company in or under the laws of any place outside India and to do all acts necessary for carrying on in any foreign country any profession or business of the Company;
27. To subscribe or donate in cash or kind or grant money for national, charitable benevolent, public, general or useful objects or for any exhibition or to any institution, club, society, scientific research association, fund, university or college the support which will in the opinion of the Company, tend to increase its repute or popularity among customers or the public, subject to the provisions of the Companies Act;
28. To grant pensions, allowances, bonuses or gratuities to any employees or ex-employees of the Company or its predecessors in business or the relations, connections, or dependents of any such persons, and to establish or support associations, institutions, clubs, funds and trusts which may be considered calculated to benefit any such persons or otherwise advance the interests of the Company or of its members;
29. To distribute among the members of the Company in specie or kind any property of the Company in the event of winding up so however that no distribution amounting to a reduction of capital shall be made except with the sanction (if any) for the time being required by law;
30. To adopt such means of making known the business and products of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchases or exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations;
31. To undertake and execute any contracts for works involving the supply and use of any machinery, plant, tools and apparatus and carry out any ancillary or other works comprised in such contracts.
32. To purchase, take on lease or on royalty basis or otherwise acquire mines, mining rights and lands or any interest therein.
33. To establish, own or acquire steel rolling mills and electric steel scrap melting furnace and to carry on business as manufacturers of and dealers in M.S. Bars, light and heavy steel structural and other special section of steel ingots and billets, steel castings and steel fabrications of all kinds.

C OTHER OBJECTS.

1. To carry on the business of the manufacturers of and dealers in all kinds of alloys, ferrous and non-ferrous metallic and non-metallic including Ferro manganese, Ferro Chromium, Ferro Columbium, Ferro-Molybdenum, Ferro-Phosphorus, Ferro Silicon, Ferro-Titanium, Ferro-tungsten, Ferro-vanadates containing Manganese, pig iron, steel, coke, steel scrap; lead copper, Nickel, Aluminium, Zinc, Titanium, and other metals and to carry on the business of founders, moulders, casters, engineers and manufactures of agricultural implements, brass founders, metal workers, boiler mechanical makers, millwright, machinists, iron and steel converters, smiths, wood-workers, builders, painters, gas makers, and buy, sell, manufacture, export, import, repair, rolling, stock and hardware of all kinds.
2. To carry on the business as importers, exporters, manufacturers, and dealers in ores, metals metalware and waste metal.
3. To carry on the business of mechanical engineers, structural contractors, brass founders, metal workers, boiler makers, metallurgists, electrical engineers, water works, engineers, manufacturers and suppliers of atomic power and gas generator.
4. To carry on the business of producers and manufacturers of oxygen, dissolved acetylene, nitrogen, argon, hydrogen, carbon-dioxide, nitrous oxide, freon, carbonic acid or other gaseous kindeared substances of any compounds thereof by any process and of selling or supplying such gases, substances, and compounds or any of them to such purposes as the company may from time to time think desirable.
5. To carry on the business of manufacturers of refractories, bricks, tiles, pipes, pottery, earthenware and ceramic products of all kinds.
6. To act as consulting engineers and management consultants and to prepare project reports and plant layouts

and provide technical advice, guidance and supervision in the erection, installation, commissioning of electric arc furnace and rolling mills and refractory units.

7. To carry on the business of an investment company and to buy, underwrite, invest in, acquire, hold and deal in shares, stocks, debenture stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debenture, debentures stock, bond obligations and securities, issued or guaranteed by any Government, Central or State Commissioners, Public Body or authority Supreme, Municipal, Local or otherwise, firm or person whether in India or elsewhere;
8. To acquire any such shares, stock, debentures, debenture stock, bonds, obligations or securities by original subscription, participation in syndicates, tender, purchase, exchange or otherwise and to subscribe for the same conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights, and powers conferred by or incidental to the ownership thereof;
9. To act as agents for the investment, loan, payment, transmission and collection of money, and for the purchase, sale and improvement, development and management of property including business concern and undertaking;
10. To carry on the business of electrical, mechanical and civil engineers, suppliers of electricity for the purpose of light, heat, motive power, or otherwise and manufacturers of and dealers in apparatuses and things required for capable of being used in connection with the generation, distribution, supply, accumulation, employment of electricity, atomic power and gas generation and manufacturers of various small scale items, electrical appliances, machinery and other materials capable of being used in any of the above activities;
11. To manufacture, deal, import, export in wholesale or retail any radiograms, phonograms, dictaphones, television sets and all sorts of electrical and wireless sets, instruments and articles;
12. To carry on the business of stationers, printers, lithographers, stereotypers, electrotypers, photographic printers, photo lithographers, engravers, diesinkers, envelop manufacturers, book-binders account book manufacturers, machine rulers, numerical printers, paper makers, paper bag and account book makers, box makers, cardboard manufacturers, type foundries, photographers manufacturers of and dealers in playing, visiting, railway, festive, complimentary and fancy cards, and valentines, dealers in parchment, dealers in stamps agents for the payment of stamp and other duties, advertising agents, designers, draughtsmen, ink manufacturers, pen, ball pen, and pencil manufacturers, book-sellers, publishers, paper manufacturers and dealers in the material used in the manufacture of paper, engineers, cabinet makers and dealers in or manufacturers of any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith;
13. To carry on the business of production, distribution, or exhibition of films and motion pictures including the running of theatres, cinemas, studios and cinematographic shows and exhibitions;
14. To carry on the business of manufacturers of motors, omnibuses, motor cars, lorries, tax cabs etc. and of all kinds of omnibuses and vehicles; railway coaches for the transport of persons and goods whether propelled or moved by electricity, atomic energy, oil, vapour gas or other methods or mechanical power.
15. To carry on the business as proprietors, managers, and consultants of hotel, restaurant, cafe, road house, hotel, holiday camp, caravan site, apartment house-keepers and to buy, sell, import, produce, manufacture or otherwise deal in food and food products, meat, groceries, fruits, confectionery, wine, spirit, alcoholic beverages, tobacco, drug supplies, beverages, linen, furniture and furnishings and other articles required in the said business;
16. To carry on the business of manufacturers, importers, exporters, sellers, buyers and dealers, whether as wholesalers or retailers of all kinds of electric motors, cables, and other electrical materials and in goods and articles in which such materials can be utilized;
17. To construct, hire, purchase or otherwise acquire and work, ships and vessels of any class, and to establish and maintain lines or regular services of ships or other vessels and generally to carry on the business of ship owners and to enter into contracts for the carriage of mail, passengers, goods and cattle by any means and either by its own vessels and other forms of transportation or by or over the vessels and other modes of transportation;
18. To carry on business as goldsmith, silversmiths, jewellers, gem merchants, watch and clock repairers, electroplaters, dressing bag makers, and buy, sell and deal (wholesale and retail) in bullion, precious stones, jewellery, watches, clock, gold or silver plates, cups, shields, electroplated cutlery, dressing bags, bronzes, articles of virtue and objects of art;
19. To acquire or set up any hospitals, clinics, nursing homes, maternity and family planning units, pathological laboratories and opticians shop;
20. To manufacture and deal in all chemical products such as coal-tar products, and their intermediates, dyes, drugs, medicines and pharmaceuticals, petroleum and its products, and derivatives, all types of heavy chemicals such as

sulphuric and other acids, caustic soda, soda ash etc., all types of textiles chemicals and sizing and finishing materials, cement and allied products, photographic chemicals, clay and boards including straw boards, soap, glycerine and allied products, all industrial and pharmaceutical, organic chemicals, fertilisers, pesticides, manures, fungicides and allied products, fats, waxes and their products; hides, skins and leather;

21. To carry on the business of manufacturers of and dealers in all types of rubber, celluloid, bakelite, plastic and all other chemicals, rubber and plastic goods, particularly industrial rolls, rollers, sheets, beltings and consumer goods, such as tyres, tubes, and other allied products, chappals, shoes, toys, medical and surgical goods, and all other kinds of allied products;
 22. To carry on the business of manufacturers of or dealers in wood products, plywood, matches, and wooden or metal furniture;
 23. To carry on the business of manufacturers of or dealers in glass products including sheet and plate glass, optical glass, wool, and laboratory ware;
 24. To carry on the business of manufacturers of and dealers in textiles yarn including man-made fibres, cotton, silk, jute, woollen and synthetics;
 25. To undertake or arrange for the writing, printing and publication of books, magazines, journals, newspapers or pamphlets on subjects relating to trade, commerce, industry, agriculture, banking, insurance, investment, taxation, finance, economics, law and other subjects;
 26. To purchase, exchange or otherwise acquire, build, develop, sell, hireout or otherwise dispose of all kind of lands, buildings, houses, bungalows, factories, shops, farm-house or any other estate or immovable property and to carry on all or any of the following business, viz, of builders, contractors, decorators, merchants, dealers in stone, sand, cement, bricks, timber, iron and steel hardware, and building requisites and as land, property, material and machinery agents;
 27. To buy, sell, smelt, refine, manufacture and deal in the iron ores and other minerals of all kinds;
 28. To construct, execute, carry out, equip, improve, work, develop, administer, manage, control all kinds of works, public or otherwise and other construction or conveniences of all kinds.
 29. To carry on business as proprietors of flats and to let on lease or otherwise apartments therein and to provide for the tenants and occupiers thereof all or any of the conveniences commonly provided in hotels or clubs.
 30. To carry on the business of farming in all its branches, including as dairy men, fruit farmers, livestock breeders, poultryfarmers, timber growers, horticulturists, seed merchants, processors of agricultural produce and generally to manage, improve, farm, cultivate, acquire, lease, underlet, exchange, purchase, sell or otherwise, deal with or dispose of agriculture land and generally to carry on the business of advisers on problem relating to the administration, organisation and the work of farms, training of personnels thereof systems processes relating to the production, storage, distribution, marketing and sale thereof and/or relating to the rendering of services in connection therewith.
 31. To carry on the business as manufacturers and dealers in paper of all kinds and articles made from paper or pulp and materials used in the manufacture of treatment of paper including Tissue Paper, Card Board, railway and other tickets, Mill Board, Paper Machine, slabs prepared for use in roofing of buildings and other purposes; Card Board, Paper Board, Duplex and Triplex paper etc.
 32. To carry on the business as manufacturers and dealers in all classes and kinds of chemicals including PVC Films, Petro-Chemicals and to deal in Heavy and fine chemicals, drugs, essence, cordials, minerals and other waters, cellulose and oils, paints, pigments and varnishes.
 33. To manufacture, produce, distil, brew, buy, sell, export, import all kinds of beer and spirits and other allied or connected products of all kinds.
 34. To promote and to make agreements for the promotion, improvement, establishment, administration, execution and management of industries, projects or enterprises including the investment and leasing companies with and object of financing industrial enterprises in India or elsewhere.
- IV. The liability of the members is limited.
- V. Authorised Share Capital of the Company is Rs.150,00,00,000 (Rupees one hundred and fifty crores only) divided into 15,00,00,000 Equity Shares of Rs.10/- (Rupees Ten only) each.

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

S. No.	Name, address, description & Occupation of the subscribers,	No. of Equity shares taken by each subscriber	Signature of the subscriber	Name, address description, occupation & signature of the witness
1.	A.S. Chatha S/o Late S. Tara Singh 540, Sector-8 Chandigarh Govt. Service	Ten (10)	Sd/-	
2.	J.N.L. Srivastva S/o Sh. B.L. Srivastva 1025, 11-C, Chandigarh Govt. Service	Ten (10)	Sd/-	
3.	P.S. Bajwa S/o S. Bawa Singh 321, 33-A Chandigarh Service	Ten (10)	Sd/-	
4.	Rajender Kumar Garg S/o Sh. Hans Raj Garg 89, Sector 7, Panchkula Industrialist.	Ten (10)	Sd/-	
5.	Ramesh Chander Mahajan S/o Late D.D. Mahajan 1595/36-D, Chandigarh Service	Ten (10)	Sd/-	
6.	Sunena Garg W/o Sh. R.K. Garg 89, Sector 7, Panchkula Induatrialist.	Ten (10)	Sd/-	
7.	H.K. Singhal S/o Late B.R. Singhal 186, Sector 11-A Chandigarh Service	Ten (10)	Sd/-	

Chandigarh
Dated the 27th Feb. 1986.

THE COMPANIES ACT, 1956

ARTICLES OF ASSOCIATION

OF

INDIAN ACRYLICS LIMITED

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

INTERPRETATION

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

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

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

"The Company" or "This Company" means INDIAN ACRYLICS LIMITED.

"The Company" or "this Company."

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

"Directors"

"Dividend" includes bonus.

"Dividend"

Words importing the masculine gender, also include feminine gender.

"Gender"

"Month" means a Calendar month.

"Month"

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

"Office"

"Persons" includes body corporate as well as individuals.

"Persons"

Words importing the singular number also include the plural number.

"Plural Number"

Words importing the singular number include the plural number.

"Singular Number"

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

"These Presents" or "Regulations"

"PSIDC"/Corporation means Punjab State Industrial Development Corporation Limited, Chandigarh and where the context so permits, their nominees within the meaning of the Collaboration Agreement.

"Collaborator" means, Mr. R.K. Garg, 89, Sector-7, Panchkula and/or where the context so permits, its nominees within the meaning of the Collaboration Agreement.

Managing Director includes Vice-Chairman as well as Vice-Chairman-cum-Managing Director.

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

"Seal"

"In writing" and "Written"

"In Written" and "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 the 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.

Copies of Memorandum and Articles of Association to be given to members.

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

COMMENCEMENT OF BUSINESS.

Commencement of Business

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

Capital.

Authorised Share Capital of the Company is Rs.150.00 Crores (Rupees one hundred fifty crores only) divided into 15,00,00,000 Equity Shares of Rs.10/- (Rupees ten only) each, with power to increase or reduce the capital and to divide the share capital of the company for the time being into equity share capital and preference share capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges, or conditions in such manner as may for the time being be permitted by the said Act or provided by these presents.*

5. The redeemable Cumulative preference shares (herein after called 'the preference shares') shall have the following rights, privileges and conditions attached thereto, that is to say:-

- (a) The Preference Shares shall confer upon the holders thereof the right out of profits of the company resolved under the Articles of Association to a fixed cumulative preferential dividend at the rate 11% per annum (free of Company tax but subject to deduction of taxes at source at the prescribed rates) on the capital for the time being paid up thereon and in a winding up to payment of such capital and all arrears of such fixed dividend accrued upto the commencement of the winding up (whether earned or declared or not) in priority to the equity shares but shall not confer the right to any further participation in profit or assets.
- (b) Subject to the provisions of the Act, and of any statutory modifications thereof for the time being in force, the Preference Shares shall be redeemable in the manner following:-
 - i) The Company may at any time after the expiry of 12 years from the date of the allotment of the Preference Shares but not later than 15 years from the said date, apply any profits or monies of the Company which may be lawfully applied for the purpose for the redemption of the whole or any part of the Preference Shares for the time being issued and outstanding at par together with a sum equal to the arrears of the fixed dividend thereof (whether earned or declared or not) upto the date of redemption.
 - ii) The Preference Shares to be redeemed on each occasion shall be determined by drawings to be made at such time and place and in such manner as the Directors may determine, in the presence of one of the Directors and a representative of the Auditors of the Company for the time being.
 - iii) Forthwith after every such drawing, the Company shall give to the holders of the shares drawn for redemption, notice in writing of the Company's intention to redeem the same and fixing a time (not less than three months ahead) and place for redemption and surrender of the shares to be redeemed.
 - iv) At the time and place so fixed, each such holder shall be bound to surrender to the Company the certificate or certificates for the shares to be redeemed and the Company shall pay to him the amount payable in respect of such redemption and where any such certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate thereof.
 - v) Any of the Preference Shares not previously redeemed under the foregoing provisions shall be redeemable before the expiry of 15 years from the date of the allotment of the Preference Shares at par together with all arrears of fixed dividend thereon (whether earned or declared or not) upto that date.

- vi) The Company is to be at liberty from time to time to create and issue further Preference Shares in all respects *pari passu* with the said Redeemable Cumulative Preference Shares.

The Cumulative Convertible Preference shares, hereinafter called CCP shares, have the following rights, privileges and conditions attached thereto, that is to say:

1. The entire issue of CCP would be convertible into equity shares between end of 3 years and 5 years as may be decided by the company and approved by the Controller of Capital Issues.
2. The conversion of CCP shares into equity would be deemed as being one resulting from the redemption of the preference shares out of the proceeds of fresh issue of shares made for the purpose of redemption.
3. The rate of preference dividend payable on CCP would be 10%.
4. On conversion of the preference shares into equity shares, the right to receive arrears of dividend, if any, on the preference shares upto the date of conversion shall devolve on the holders of the equity shares on such conversion. The holder of the equity shares shall be entitled to receive the arrears of dividend as and when the Company makes the profit and is able to declare such dividend.
5. The aforesaid preference shares would have voting rights as applicable to preference shares under the Companies Act, 1956.
6. The conversion of aforesaid shares into equity shares would be compulsory at the end of 5 years and the aforesaid preference share would not be redeemable at any stage.

Restrictions on allotment etc.

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

Shares under the Directors.

7. Subject to the provisions of the Act and of these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and proper, and with full power to give to any person the option to be allotted shares of the Company either at par or at a premium, or, subject as aforesaid, at a discount such option being exercisable at such times and for such consideration as the Directors think fit. Provided that the option or right for the allotment of shares shall not be given to any person or persons without the sanction of the Company in General Meeting.

Power of General meeting to offer shares to such Persons as a company may resolve.

8. In addition to and without derogating from the power for the purpose conferred on the Directors under Article 7, the Company in General Meeting may by special resolution determine to issue further shares out of the authorised but unissued capital of the Company and may determine that any shares (whether forming part of the original Capital or of any increased capital of the Company) shall be offered to such persons (Whether members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par or, subject to compliance with provisions of section 79 of the Act, at a discount as such general meeting shall determine and with full power to give any person (whether a member or holder of debentures of the Company or not) the option to be allotted shares of any class of the Company either at a premium, or at par, or, (subject to compliance of the provisions of 79 of the Act) at a discount such option being exercisable at such times and for such considerations as may be directed by such general meeting or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares. Subject to any direction given by the Company in General Meeting as aforesaid, the provisions of Article 66 hereof shall apply to any issue of new shares.

Directors may allot Shares as fully paid up.

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

shall be deemed to be fully paid up or partly paid up shares as aforesaid. The Directors shall cause returns to be filed of any such allotment as provided under Section 75 of the Act.

Shares to be numbered progressively.

10. The shares in the capital of the company shall be numbered progressively according to their several denominations.

Acceptance of shares.

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

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

12. The money (if any) which the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the insertion of the name of the allottee in the Register of Members as the holder of such share, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Installments on shares to be duly paid.

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

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

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

UNDERWRITING AND BROKERAGE

Commission for placing share, debenture etc.

15. 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 subscription, whether absolutely, or conditionally for any shares in or debentures of the Company but so that the amount or rate of commission does not exceed in the case of shares 5% of the price at which the shares are issued and in the case of debentures 2 1/2% of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid up shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of share or debentures pay such brokerage as may be lawful.

CERTIFICATES

Member's right to Certificates.

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

17. Every member or allottee of share (s) shall be entitled without payment to receive share certificates in marketable lots under the Seal of the Company for all the shares of each class or denomination registered in his name in such form as the Directors shall prescribe or approve, specifying the share or shares allotted to him and the amount paid thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the company of its letter of allotment or of its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation, or in case of issue of bonus shares. Provided

that if the letter of allotment is lost or destroyed the Board may impose such reasonable terms, if any as it thinks fit, as to evidence and indemnity.

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

Limitation of time for issue of certificates.

19. (a) No Certificate(s) of any share or shares or debenture or debentures shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or rendered useless from any cause whatsoever, or where the cages on the reverse for recording transfers have been fully utilised, unless the certificates in lieu of which they are issued are surrendered to the Company. No duplicate certificates shall be issued in lieu of these that are lost or destroyed without the prior consent of the Board and on such reasonable terms, if any, as to evidence of such loss or destruction, and indemnity. The Directors may in their discretion waive payments of such fee in the case of any certificate or certificates, provided that no fee shall be charged for issue of new certificate in replacement of these which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised.

As to issue of new certificate in place of the defaced, lost or destroyed.

The company shall not charge any fee for registration of transfer of shares and debentures:-

— for sub division and consolidation of share and debenture certificates and for sub-division of Letters of Allotment and split, consolidation, Renewal and Pucca Transfer Receipt in to denomination corresponding to the market units of trading;

— for sub-division of renounceable Letters of Right;

— for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfer have been fully utilised;

— for registration of any power of Attorney, Probate, Letters of Administration or similar other documents.

The Company will not charge any fees exceeding those which may be agreed upon with the Exchange.

— for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed;

— for sub-division and consolidation of share and debenture certificates and for sub-division of letters of Allotments and split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading.

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

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

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

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

CALLS

20. The Board of Directors may from time to time (by a resolution passed at the meeting of the Board and not by Circular Resolution) but subject to the condition hereinafter mentioned, make

Board may make calls.

such calls as they think fit upon the members in respect of all monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and which are not by the conditions of all 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.

"Rider"	The Call shall not exceed 1/4th of the nominal value of the share.
Calls on shares of same class to be made on uniform basis.	21. Where any calls are made on the shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
Notice of call	22. At least 30 days notice of every call otherwise than on allotment shall be given specifying the time of payment and if payable to any person other than the Company the name of the person to whom the call shall be paid, provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same.
Call to date from Resolution.	23. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by those members whose names appear on the Register of Members on such date or, at the discretion of the Directors on such subsequent date as shall be fixed by the Director.
Directors may extend time.	24. The Directors may from time to time, at their discretion extend the time for the payment of any call, and may extend such time as to all or any of the members who on account of their residence(s) being at a distance or other cause, the Directors may deem entitled to such extension but no member shall be entitled to such extension as of right save as a matter of grace and favour.
Amount payable at fixed time or by instalments at calls.	25. If by the terms of issue of any share, any amount is made payable at any fixed time or by instalments at fixed times (whether on account of the capital amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.
When intimation, call or instalment payable.	26. If the sum payable in respect of any allotment/call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which an allotment/call shall have been made or the instalment shall be due shall pay interest on the same at such rate of 12% per annum or at such other rate as the Director may determine from the day appointed for the payment thereof to the time of actual payment but the Directors, may waive payment of such interest wholly or in part.
Judgement, decree or partial payment not to preclude forfeiture.	27. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion or any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as hereinafter provided.
Proof on trial of suit for money due of shares.	28. Subject to 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 it shall be sufficient to prove that the name of the member in respect of whose shares money is sought to be recovered appears entered on the Register of members as the holder of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the minute book, and that notice of such call was posted to the member or his representative in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest.	29. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amounts of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon and the Company may at any time repay the amount so advanced either by agreement with the member or otherwise upon giving to such member three months

notice in writing. No member paying any sum in advance shall be entitled to participate in profit or dividend or to voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

FORFEITURE, SURRENDER AND LIEN

30. If any member fails to pay the whole or any part of any allotment money or call or instalment or any money due in respect to any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Director may at any time thereof during such time as the allotment money or call or instalment or any part thereof and other moneys remain unpaid or a judgement or decree in respect thereof, remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay such allotment money or call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.
- If call or instalment not paid notice may be given.
31. The notice shall name a day (not being less than 30 days from the date of the notice) on or before which and the place or places on or at which such allotment money, or call or instalment or such part thereof and 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) at the place appointed the shares in respect of which the allotment or call was made or instalment is payable will be liable to be forfeited.
- Terms of notice.
32. If the requirement of any such notice as aforesaid shall not be complied with, any of the shares in respect of which such notice has been given, may at any time thereafter but before payment of all allotment money, calls or instalments, interests and expenses and other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.
- In default of payment share to be forfeited.
33. When any share shall have been so forfeited, an entry of the forfeiture with the date thereof, shall be made in the Register of Members and notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture but no forfeiture shall be, in any manner, invalidated by any omission or neglect to give such notice or to make any entry as aforesaid.
- Entry of forfeiture in register of members.
34. Any share so forfeited shall be deemed to be the property of the Company, may be sold, re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.
- Forfeited shares to be property of the Company and may be sold etc.
35. The Directors may at any time before any share already forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.
- Directors may annul forfeiture.
36. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all allotment money or calls, instalments, interest, expenses and other moneys owing upon or in respect of such shares at the time of forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so.
- Share holder still liable to pay money owing at the time of forfeiture and interest.
37. The forfeiture of share shall involve extinction at the time of the forfeiture, of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by presents are expressly saved.
- Effect of forfeiture.
38. The Directors may subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering the share on such terms as they think fit.
- Surrender of shares.
39. The Company shall have no lien on its fully paid shares. In the case of partly paid up shares, the Company shall have a first and paramount lien on such shares registered in the name of each member, whether solely or jointly with other and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares and whether held solely
- Company's lien on shares

or jointly with any other person, and whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 40 is to have full effect. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

As to enforcement or
lien by sale.

40. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell such shares 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, fulfilment or discharge of such debts, liabilities or engagements for 30 days after such notice.

Application of proceeds
of sale.

41. The net proceeds of any such sale payment of the costs of such sale shall be applied in or towards the satisfaction of such debts, liabilities or engagements of such member and the residue, (if any), shall subject to a like lien for sums not presently payable, as existed upon, the shares before the sale be paid to such member or the person (if any) entitled by transmissions to the shares so sold.

Certificate of forfeiture.

42. A certificate in writing under the hand of two Directors that call in respect of a share was made and notice thereof given and default in payment of the call was made and that the forfeiture of the share was made by a resolution of the Directors to that effect, shall be conclusive evidence of the facts stated therein as against all persons entitled to such share.

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

43. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given the Board may appoint some person to execute an instrument of transfers of the shares sold and cause the purchaser's name to be entered in the Register of members in respect of shares sold and the Company may receive the consideration, if any, give for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotment or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings with reference to the forfeiture, sale, re-allotment or other disposal of the share and after his name has been entered in the Register in respect of such share, the validity of the sale shall not be impeached by any person.

Cancellation of share
Certificate in respect of
forfeited share and
shares sold to exercise
lien.

44. Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relevant shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

TRANSFER AND TRANSMISSION OF SHARES.

Register of transfers.

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

Register of renewed
and duplicate Certificate.

46. The Company shall keep a book to be called the "Register of Renewed and Duplicate Certificates" and therein shall be fairly entered the particulars of the issue of renewed and duplicate certificate in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or rendered useless.

Form of transfer.

47. The instrument of any share shall be in writing and all provisions of Section 108 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

Application for transfer.

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

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

(3) For the purpose of Clause (2) above notice to the transferee shall be deemed to have been duly given if it is despatched by pre-paid registered post of the transferor at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

49. Every such instrument of transfer shall be signed by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.	Transfer to be executed by the transferor and transferee.
50. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company within the prescribed period alongwith the certificate relating to the shares or if no such share certificate is in existence, alongwith the letter of allotment of the shares. Provided that, where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit. Provided further that nothing in this article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has transmitted by operation of law.	Transfer not to be registered except on production of instrument of transfer.
51. Subject to the provisions of section 111 of the Act and subject to the provisions of section 22A of the Securities Contract (Regulation) Act and/or any statutory modification for the time being in force, the directors may, at their absolute and uncontrolled discretion decline to register or acknowledge any transfer of shares not being fully paid up and shall not be bound to give any reason for such refusal and in particular may so decline in respect of shares upon which the company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that proposed transferee is already a member. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except as stated hereinabove. The registration of transfer shall be conclusive evidence of the approval by the Directors of the transferee.	Director may refuse to register transfer.
52. If the Company refuses to register the transfer of any shares 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 & transferor or the person giving intimation of the transmission, as the case may be and there upon the provisions of Section 111 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
53. A transfer of a share in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.	Transfer by legal representative.
54. The instrument of transfer shall after registration be retained by the company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the person depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the company for a period of ten years or more.	Custody of instrument of transfer.
55. The Directors shall have power, on giving not less than seven days previous notice by advertisement as required by Section 154 of the Act to close the transfer books of the company, the Register of Members or the Register of Debenture-holders at such time or times and for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as may seem expedient to the Board.	Closure of transfer books.
56. The executors or administrators or the holder of a Succession Certificate in respect of the estate of a deceased member (not being one of two or more joint holders) shall be the only person recognised by the Company as having an title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be, from a competent Court in India, provided that in any case where the Directors in their absolute discretions think fit, the Directors may dispense with the production of Probate or letters of Administration or Succession Certificate and under the provisions of Article 57, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.	Title of share of deceased holder.
57. Subject to the provisions contained in Articles 51 and 52 hereof, any person, becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, upon producing proper evidence of the grant of Probate or Letters of Administration or Succession	Transmission clause.

Certificate or such other evidence that he sustains the character in respect of which he proposes to act under this clause or of his title to the shares as the Board thinks sufficient, may, with the consent of the Board (which it shall not be under any obligation to give), be registered as a member in respect of such shares, or may subject to the regulations as to transfer hereinbefore contained, transfer such shares. This clause is herein referred to as the transmission clause.

Power to refuse registration.

58. Subject to the provisions of the Act and these Articles, the Directors shall have the same rights to refuse to register as member 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.

Persons entitled may receive dividend without being registered a member.

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

Board may require evidence of transmission.

60. Every transmission of a share shall be verified in such manner as the directors may require and the Company may refuse to register any such transmission until the same to 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 may not be any obligation on the Company or the Directors to accept any indemnity.

Fee on transfer or transmission.

61. No fee shall be charged for registration of transfer or transmission or issue of new share certificates in replacement of those which are old, decrepit, worn-out or where the cages on the reverse of the share certificates for recording transfers have been fully utilised. Also that no fee be charged for transmission of shares or for registration of any power of Attorney, Probate, Letter of Administration or other similar documentation.

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

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

CONVERSION OF SHARES INTO STOCK

Conversion of shares into stock and reconversion

- 63 The Company by ordinary resolution in General Meeting may
- (a) convert any paid-up shares into stock; and
 - (b) 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 amount of stock transferable, so however that such minimum shall not exceed the nominal amount of share from which the stock arose.

Rights of stock holders.

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

Regulations to apply to stocks.

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 "Share" and "Shareholder" in those regulations shall include "Stock" and "Stock-holder" respectively.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL.

67. The Company may from time to time by special resolution in General Meeting increase its share capital by the creation and issue of new shares of such amount as it thinks expedient. Subject to the provisions of the Act, the 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. Such shares may be issued with a preferential or qualified right as to dividends, and in the distribution of assets of the Company, and with a right of voting at a General Meeting of the company in conformity with Sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with provisions of Section 97 of the Act. Increase of Capital.
68. At any time after the expiry of two years from the date of formation of the Company or at any time after the expiry of one year from the date of allotment of shares in the Company, made for the first time (whichever is earlier), it is proposed to increase the subscribed capital of the Company, by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer are holders of the equity share of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date and such offer shall be made in accordance with the provisions of Section 81 of the Act. Provided that notwithstanding anything hereinbefore contained the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the offer, are holders of the equity shares of the Company in any manner whatsoever: Right of equity share holders to further issue of capital
- (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 poll as the case may be) in favour of the proposal contained in the Resolution moved in General Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do vote, in person, or where proxies are allowed, by proxy exceed the votes if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.
- (2) Nothing in this Article shall apply to the increase of the subscribed capital caused by the exercise of an option attached to debentures issued or loans raised to convert such debentures or loans into shares in the Company or to subscribe for shares in the Company (Whether such option is conferred in Article 63 or otherwise) provided that the terms of the issue of such debentures or of such loan include a term providing for such option and such terms have been approved by a Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loan and also the same has either been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by the Government in this behalf.
69. (1) Except so far as otherwise provided by the conditions of issue of shares or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien surrender, voting and otherwise. Increased Capital to be considered same as original Capital.
- (2) Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are, or, at the option of the company, are liable to be redeemed, and the redemption may, subject to the provisions of Article 5 hereof be effected in the manner and subject to the terms and provisions of its issue. Redeemable Preference Shares.
- (3) On the issue of Redeemable Preference Shares under the provisions of Clause (2) hereof, the following provisions shall take effect:- Provisions to apply on issue of Redeemable preference.
- (a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
 - (b) no such shares shall be redeemed unless they are fully paid;
 - (c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;

- (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were part of the paid up share capital of the Company.

Restriction on Purchase by the Company of its own shares.

70 (1) The company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 71 or in pursuance of Sections 100 to 104 or Section 402 or other applicable provisions (if any) of the Act.

(2) Except to the extent permitted by Section 77 or applicable provisions (if any) of the Act, the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee of security or otherwise any financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.

Reduction of Capital.

71. The Company may, subject to the provisions of Sections 78, 80, 100 to 105 inclusive, of the Act, from time to time by special resolution reduce its share capital and any Capital Redemption Reserve Account or other Premium Account in any way authorised by law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise may, if and so far as is necessary, alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

Consolidation, division and sub-division.

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

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

Whenever the Company shall do any one or more of the things provided for in the foregoing sub-clauses (a), (b) and (c) the company shall, within thirty days thereafter give notice thereof to the Registrar as required by Section 95 of the Act specifying, as the case may be, the share consolidated, divided, sub-divided or cancelled.

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

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

MODIFICATION OF RIGHTS.

Modifications of Rights of any class of shares.

73-A. If at any time the share capital is divided into different classes the rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated or varied (whether or not the Company is being wound up) with the consent in writing of the holders of that class of shares, and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting.

JOINT HOLDERS

Joint-holders.

74. 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 benefit of survivorship subject to the following and other provisions contained in these Articles:-

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| (a) 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. | Joint and several liability for all payments in respect of shares. |
| (b) On the death of any such joint-holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the directors may require such evidence of death as they deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability in respect of the shares held by him jointly with any other person. | Title of survivor. |
| (c) Only the person whose name stand first in the Register of Members may give effectual receipts for any dividends or other moneys payable in respect of such shares. | Receipt of first sufficient. |
| (d) Only the person whose name stands first in the Register of the Members as one of the joint-holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 211) from the Company, and any documents served on or sent to such person shall be deemed service on all the joint-holders. | Delivery of certificate and giving of notices to first named holders. |
| (e) Any one of two or more joint-holders may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy then one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting. Provided always that a joint-holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by proxy although the name of such joint-holder present by proxy stands first or higher in the Register 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. | Votes of jointholders. |

BORROWING POWERS.

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| 75. Subject to the provisions of Section 292 and 293 of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the powers, from time to time at their discretion, by a Resolution passed at a meeting of the Board and not by the Circular Resolution, to accept deposits from members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of moneys for the purpose 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 specific purpose. Such consent shall be obtained by an ordinary resolution which shall provide for the total amount upto which moneys may be borrowed by the Board. The expression "Temporary Loans" in this Article means loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangement, discounting of bills and the issue of other short-term loans of seasonal character but does not include loans raised for the purpose of financing expenditure of a capital nature. | Powers to borrow. |
| 76. Subject to the provisions of the Act and these Articles, the Directors may, by resolution passed at the meeting of the Board and not by resolution by circular, 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 or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being. | Conditions on which money may be borrowed. |
| 77. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company. | Bonds, debentures etc to be subject to control of Directors. |
| 78. Debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. | Securities may be assignable free from equities |
| 79. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending | Conditions on which Bonds, Debentures etc may be issued. |

(but not voting) at General meetings, appointment of Directors and otherwise. Provided that bonds, debentures, debenture stock or other securities with a right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General meeting.

Mortgage of uncalled Capital.

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

Indemnity may be given.

81. Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security of, on over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or any other person so becoming liable as aforesaid from any loss in respect of such liability.

Register of mortgages etc. to be kept.

82. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company including all floating charges on the undertaking or any property of the Company, and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with (within the time prescribed by the said Sections or such extensions thereof as may be permitted by the Court or the Registrar of Companies) so far as they are to be complied with by the Company. The Company shall, comply with the provisions of Section 135 of the Act as regards modification of a charge and its registration with the Registrar.

GENERAL MEETINGS

Statutory meeting.

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

Annual General Meetings.

84. (1) The Company shall in addition to any other meetings, hold a General Meeting (herein called an "Annual General Meeting") at the intervals and in accordance with the provisions herein specified. The Company shall hold its first Annual General Meeting within eighteen months from the date of the incorporation of the Company and if such General Meeting is held within such period it shall not be necessary for the Company to hold any Annual General Meeting in the year of its incorporation or in the following year, but subject to the aforesaid provisions as the Annual Meeting shall be so held at least once in every calendar year and within six months after the expiry of each financial year and that not more than fifteen months shall elapse between the date of one Annual General Meeting and the next. Provided however that if the Registrar of Companies shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time allowed by the Registrar.

(2) Every Annual General Meeting shall be called for at a time during business hours and on such day (not being a public holiday) as the Directors may from time to time determine and it shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated. The Company may by a resolution passed at one Annual General Meeting, fix the time for its subsequent annual General Meeting. The notice calling the meeting shall specify it as the Annual General Meeting.

Extra ordinary General Meeting.

85. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings.

Directors may call Extra ordinary general meeting.

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

Calling of Extra ordinary General meeting on requisition.

87. (1) The Board of Directors shall, on a requisition of such number of members of the Company shall 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 upon which all calls or other moneys then due shall have been paid, as at that date carries the right of voting in regard to the matter, forth-with proceed duly to call an Extraordinary General Meeting of the Company and the provision of Section 169 of the Act (including the provision below) shall be applicable.

(2) The requisition shall set out the matter for the consideration of which the meeting is to be called, shall be signed by requisitionists, and shall be deposited at the Registered office of the Company.

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

(4) Where two or more distinct matters are specified in the requisition, the provisions of clause (1) above shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.

(5) If the Board of Directors does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of these matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of paid-up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to in Clause (1) above whichever is less.

(6) A meeting called under clause (5) above by the requisitionists or any of them shall be called in the same manner similar as that in which meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposits of the requisition.

(7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call meeting shall be repaid to the requisitionists by the Company; any sum so repaid shall be repaid by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

88. (1) A General Meeting of the Company may be called by giving not less than twenty one day's notice in writing. Notice of Meeting.

(2) However a General Meeting may be called after giving shorter notice than twenty-one days, if the consent is accorded thereof;

- (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 per cent of such part of the paid-up share capital of the Company as gives a right to vote at that meeting.

89. (1) Every notice of a meeting of the Company shall specify the place and 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.

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

- (i) the consideration of the Accounts, Balance Sheet and Profit and Loss Account and the Report of the Board of Directors and the Auditors;
- (ii) the declaration of dividend;
- (iii) the appointment of Directors in the place of those retiring;
- (iv) the appointment of and the fixing of the remuneration of the Auditors.

(2) In the case of any other meeting, all business shall be deemed special.

(3) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or

interest if any, therein of every Director and of the Manager. Provided that where any item of special business as aforesaid to be transacted at meeting of the Company relates to, or effects, any other Company the extent of the shareholding interest if any, in that other Company of every Director and the Manager of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 20 per cent of the paid-up share capital of that other Company.

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

Service of Notice.

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

Notice to be given to the Auditors.

92. Notice of every meeting of the Company and every other communication relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him, shall be given to the Auditor or Auditors for the time being of the Company, in the manner authorised by Section 53 of the Act; as in the case of any members of the Company.

As to omission to give notice.

93. The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the Meeting or the Resolution passed thereat.

Resolution requiring Special Notice.

94. (1) Where, by any provision contained in the Act or in these Articles, Special Notice is required on any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.

(2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it give its member notice of the resolution in the same manner as is given notice of the meeting or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these Articles, not less than seven days before the meeting.

PROCEEDINGS AT GENERAL MEETINGS.

Quorum at General Meeting.

95. Five members entitled to vote and present in person shall be a quorum for 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.

Proceedings when quorum not Present.

96. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting if convened on the requisition of shareholders shall be dissolved and in every other case shall stand adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day, time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present within half an hour those members present shall be a quorum and may transact the business for which the meeting was called.

Business at adjourned meetings

97. No Business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Chairman.

98. The Chairman and in his absence, the Vice-Chairman of the Board of Directors shall be entitled to take the Chair at every General Meeting. If there be no Chairman/Vice-Chairman or if at any meeting he shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose a Chairman and in default

of their doing so, the members present shall choose one of their member to be the Chairman of the meeting.

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

Business Confined to election of Chairman-Whilst Chair vacant.

(2) If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and these Articles. The Chairman so elected on a show of hands will exercise all the powers of the Chairman under the Act and these Articles.

(3) If some other person is elected Chairman as a result of the poll he shall be Chairman for the rest of the meeting.

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

Chairman with Consent may adjourn meeting

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

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

102. At any General Meeting, a resolution put to the vote of the meeting shall, unless poll is (before or on the declaration of the result of the show of hands) deemed to be decided on a show of hands and unless a poll is so deemed, a declaration by the Chairman that a resolution has been carried, either unanimously or by a particular majority and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

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

103. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of his own motion and shall be ordered to be taken by him on a demand made in that behalf by at least five members having the right to vote on the resolution and present in person or by proxy or by a duly constituted attorney in case the member is a Company or a Corporation either registered in India or abroad or by any member present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company, conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up which is not less than one-tenth of the total sum paid-up on all the shares conferring that right. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

Demand for poll.

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

Time and manner of taking poll.

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

Scrutineers at poll.

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

Demand for poll not to prevent, or transaction of other business.

Resolution how decided in case of equity votes.

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

Registration of certain Resolutions and Agreements.

107. In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded shall be entitled to a Casting vote in addition to his own vote or votes which he may be entitled as a member.

108. 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 not already incorporated in the audited accounts), the Proxy Register with proxies and the Register of Directors and Managing Director's or Manager's 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.

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

- (a) Special Resolutions;
- (b) resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolutions;
- (c) resolutions of the Board or agreements relating to the appointment, re-appointment or renewal of the appointment or variation of the terms of appointment of a Managing Director;
- (d) resolutions or agreements which have been agreed by all the members or any class of shareholders but which if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner and all resolutions or agreements which effectively bind all the members or any class of shareholders though not agreed to by all those members;
- (e) resolutions requiring the Company to be wound up voluntarily passed in pursuance of Sub-section (1) of Section 484 of the Act;
- (f) resolution passed by the Company according consent to the exercise by its Board of Directors of the powers under clause (a), clause (d) and clause (e) of sub-section (1) of Section 293 of the Act; and
- (g) resolution passed by the Company approving the appointment of sole selling agents under Section 294 of the Act.

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

Minutes of General Meeting.

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

Inspection of minute books of General Meeting.

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

Publication of report of proceedings of General Meetings.

112. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these

Articles or Section 193 of the Act to be contained in the minutes of the proceedings of such meeting.

VOTES OF MEMBERS.

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

Votes may be given by proxy or attorney.

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

Votes.

- (1) Upon a show of hands every member holding equity shares and entitled to vote and present in person (including a proxy of a corporation or a representative of a Company as mentioned in Article 115) shall have one vote;
- (2) Upon a poll the voting right of every member holding equity shares entitled to vote and present in person (including a proxy of a corporation or a representative of a company present as aforesaid or by proxy shall be in the same proportion as the capital paid on the equity share or shares (whether fully paid or partly paid) held by him bears to the total paid-up equity capital of the Company.
- (3) Upon a show of hands or upon a poll, the voting right of every member holding preference shares shall be subject to the provisions, limitations and restrictions laid down in Section 87 of the Act.

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

No voting by proxy on show of Hands.

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

Votes in respect of shares of deceased and insolvent members.

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

Voting by members of unsound mind and minor.

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

No member to vote unless calls are paid up.

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

Right of member to use his votes differently.

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

Proxies.

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

Appointment of proxy.

122.(1) The instrument of proxy shall be deposited at the office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

Deposit and validity of instrument of appointment.

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

Inspection of proxies.

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

Form of Proxy.

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

I/We _____ of _____
in the district of _____
being a member/members of the above named Company hereby
appoint _____ of _____
in the district of _____
or failing him _____ of _____
in the district of _____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting/Extraordinary General Meeting of the Company to be held on

the _____ day of _____ and at any adjournment
thereof

Signed this _____ day of _____ of _____

Custody of the instrument of proxy.

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

Validity of votes given by proxy not withstanding of member etc.

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

Time for objection to votes.

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

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

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

DIRECTORS

Number of Directors.

128. "Unless otherwise determined by a General Meeting, the number of Directors shall not be less than three not more than twelve excluding the nominee Directors, nominated by the Financial Institutions, Banks and the Debenture-holders, if any."

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

(1) Sh. A.S. Chatha, I.A.S.

(2) Sh. J.N.L. Sirivastva I.A.S.

(3) Sh. P.S. Bajwa

(4) Sh. Rajinder Kumar Garg

(5) Smt. Sunena Garg.

129. (A) "So long as the CORPORATION and the COLLABORATOR respectively shall continue to hold not less than 11% (Eleven per cent) and 25% (Twenty-five per cent) of the paid up equity capital of the COMPANY, the CORPORATION and the COLLABORATOR shall be entitled to nominate or have appointed two Directors and three Directors respectively on the Board of Directors of the Company, who shall be non-rotational subject, however, that such nomination of non-rotational Directors shall not exceed one-third of the total strength of the Board of Directors of the Company at any point of time as provided under Section 256 of the Act."

(B) "Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), the Industrial Credit and Investment Corporation of India Limited (ICICI), and Life Insurance Corporation of India (LIC) or to any other Financial Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing or Credit Corporation or any other Financing Company or Body is hereinafter in this Article referred to as "The Corporation" continue to hold debentures in the Company by direct subscription or private placement, or so long as the corporation holds shares in the Company as a result of the underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as 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 in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any money remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the company as a result of direct subscription of private placement or so long as the Corporation holds shares in the Company as a result of under-writing or direct subscription or the liability of the Company arising out of any guarantee is outstanding and the nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, the moneys owing by the Company to the Corporation paid off or on the corporation ceasing to hold Debentures/shares in the Company arising out of any guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and all General Meetings, Boards Meetings and of the Meeting of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices as minutes.

The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Director/s of the Company are entitled but if and other fees, Commission, moneys or remuneration in any form is payable to the Director of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the company directly to the Corporation. Any expenses that may be incurred by the Corporation of such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s.

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

Provided further that if such Nominee Director/s is an officer of the Reserve Bank of India, the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same accordingly be paid by the Company to IDBI:

Provided also that in the event of the Nominee Director/s being appointed as whole time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved

by the Lenders and have such rights as are usually exercised or available to a whole time Director, in the management of the affairs of the Borrower. Such Nominee Director/s shall be entitled to receive such remuneration fees, commission and monies as may be approved by the Lenders".

129.(C)1. Notwithstanding to the contrary contained in these Articles, but subject to the provisions of the Act, so long as any money remains owing by the Company to Asian Development Bank (hereinafter referred to as "The ADB" out of any loans respectively granted by them to the Company or so long as the ADB holds any equity or preference shares of the Company as a result of direct subscription, ADB shall have a right to appoint from time to time any person as a non-whole time Director or Directors (which Director/s is hereinafter referred to as 'ADB Director/s') on the Board of Directors of the Company and to remove from such office any person so appointed and to appoint any other person in his place. In addition, ADB shall also have the right to require the Board of Directors of the Company to appoint an alternate Director to such ADB Director to hold office in accordance with the provisions of Section 313 of the Companies Act, 1956.

2. ADB Director/s appointed as aforesaid, shall not be required to hold any share qualification in the Company nor shall be liable to the provisions of retirement of Directors by rotation. Subject as aforesaid, ADB Director/s shall be entitled to the same rights and privileges and subject to the same obligation as any other non-whole time Director of the Company.

3. The appointment by ADB of such Director/s shall take effect immediately upon the receipt by the company of the nomination in writing from ADB without requiring any further consent or Resolution from the Board of Directors or Members of the Company.

4. ADB Director/s appointed as aforesaid shall hold office only so long as any moneys remain owing by the Company to ADB or so long as the ADB holds any equity and/or preference shares of the Company as a result of direct subscription or otherwise, and the ADB Director/s appointed as aforesaid shall ipso facto vacate office immediately upon the moneys owing by the Company to the ADB being paid off or on the ADB ceasing to hold shares in the Company, as the case may be.

5. It is clarified that the ADB may appoint one or more such person or person/s so that there shall not be more than two Directors at any point of time by ADB and each of the Director/s appointed by ADB as well as ADB itself shall be entitled to receive notices of all General meetings of the Company, Board meetings and all the Meetings of the Committee of which ADB Director/s is/are a member and also the minutes of such meetings. The Company, may subject to necessary approvals pay to the ADB Director/s the normal allowances, other remuneration, travelling and boarding expenses as applicable to the non-whole time Director/s of the Company and unless the ADB otherwise requires no sitting fee or any other remuneration shall be payable to such Director but that the Company shall reimburse to ADB or as the case may be to Directors any amount that may be payable on account of travelling and lodging expenses or allowances and any other expenses for attending any General Meeting or meeting of the Board of Directors or of the Committee of Directors of the Company.

Debenture Director.

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

Appointment of
Alternate Directors.

131. The Board of Directors may appoint an Alternate Director to act for a period of not less than three months. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meeting to have and exercise all the powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns; if the term of office of the original Director is determined before he returns, any provision in the Act or in these Articles for the automatic re-appointment of retiring

Director in default of another appointment shall apply to the original Director and not the Alternate Director.

132. Subject to the provisions of Sections 262(2) 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 determine 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.

Casual Vacancy.

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

Appointment of Additional Directors.

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

Qualification of Directors.

135. (1) The remuneration of a Director for his services shall be the sum as may be prescribed in the Act for each meeting of the Board or one or more Committees of the Board attended by him or such lesser amount as the Directors may agree to accept from time to time. Subject to the limitations provided by the Act, such additional remuneration; as may be fixed by the Directors may be paid to anyone or more of the Directors for services rendered by him or them and the Directors shall be paid further remuneration (if any) as the Company in General Meeting shall from time to time determine, and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may from time to time determine, and in default of such determination, equally. Such remuneration and/or additional remuneration may be by way of fixed sum or commission as laid down in Sections 309, 349, 350 and 351 on net profits or by participation in profits or by any or all of these modes.

Remuneration of Directors.

(2) The Directors may, subject as aforesaid, allow and pay to any Director who is not a bonafide resident of the place where a meeting is held and who shall come to such place for the purpose of attending a meeting his actual expenditure for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and the Directors may from time to time fix the remuneration in addition to the fees laid down by Article 135(1) to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these Articles and may pay the same.

Directors not bonafide residents of the place where meetings of the Board or Committee are held may receive extra compensation and remuneration.

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

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

136. The Continuing Directors may act notwithstanding any vacancy in their body; but so that subject to the provisions of the Act if the number falls below the minimum number above fixed and notwithstanding the absence a quorum, the Directors may act for the purposes of filling up vacancies or for summoning a General Meeting of the Company.

Directors may act notwithstanding vacancy.

137. (1) Subject to the provisions of Section 283 (2) of the Act, the office of a Director shall become vacant if:

When office of Director becomes vacant.

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudicated an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the Official Gazette, removed the disqualification incurred by such failure; or
- (e) any office or place of profit under the Company or any subsidiary thereof is held by him in contravention of Section 314 of the Act; or

- (f) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the board of Directors; or
- (g) he becomes disqualified by an order of the Court under Section 203 of the Act; or
- (h) he is removed in pursuance of Section 284 of the Act; or
- (i) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act, or
- (j) he acts in contravention of Section 299 of the Act and by virtue of such contravention shall have been deemed to have vacated office; or
- (k) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not more than six months; or
- (l) he having been appointed a Director by virtue of his holding any office or other employment in the Company ceases to hold such office or other employment in the Company.

Resignation.

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

Directors may contract with Company.

138.(1) Subject to the provisions of sub-clauses (2), (3), (4) and (5) of this Article and the restrictions imposed by Article 145 and the other Articles hereof and the observance and fulfilment thereof, no director shall be disqualified by his office from contracting with the Company for any purpose and in any capacity whatsoever including either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or any other contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director, so contracting or being so interested be liable to account to the Company of any profit realised by any such contract or arrangement by reason only of such of Director holding office, or of the fiduciary relation thereby established, but it is hereby declared that the nature of his interest must be disclosed by him as provided by Sub-Clauses (2), (3) and (4) hereof.

Disclosure of interest.

(2) Every Director who is in any way whether directly or indirectly concerned or interested in any contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at meeting of the Board of Directors or as provided in Clause (4) thereof.

When Disclosure to be made.

(3) (a) in the case of a proposed contract or arrangement, the disclosure required to be made by a director under sub-clause (2) above shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting concerned or interested, the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

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

General notice of interest.

(4) For the purpose of this Article, a General Notice is to be given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice, be entered into with the body corporate or firm shall be deemed to be sufficient disclosure of his concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read in the first meeting of the Board after it is given.

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

(5) An Interested Director shall not take any part in the discussions of or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, directly or indirectly concerned or interested in the contract or arrangement;

nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote, and if he does vote, his vote shall be void:

Provided that this prohibition shall not apply:

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

Register of Contracts
in which Directors are
interested.

139 (1) The Company shall keep one or more Registers in accordance with Section 301 of the Act in which, shall be entered separately particulars of all contracts or arrangements to which Section 297 or Section 299 of the Act applies including the following particulars to the extent they are applicable in each case, namely:-

- (a) the date of the contract or arrangement;
- (b) the names of the parties thereto;
- (c) the principal terms and conditions thereof;
- (d) in the case of a contract to which Section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies, the date on which it was placed before the Board;
- (e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.

(2) Particulars of every such contract or arrangement to which Section 297 of the Act or as the case may be, sub-section (2) of Section 299 of the Act applies, shall be entered in the relevant Register aforesaid:

- (a) in the case of a contract or arrangement requiring the Board's approval, within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;
- (b) in the case of any other contract or arrangement, within seven days of the receipt at Registered Office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement whichever is later;

and the Register shall be placed before the next meeting of the Board and shall be signed by all the Directors present at the meeting.

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

(4) Nothing in the foregoing sub-clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials and services, if the value of such goods and materials or the cost of such services does not exceed one thousand rupees in the aggregate in any year. The Registers as aforesaid shall be kept at the Registered Office of the Company and they shall be open to inspection at such office and extracts may be taken from any of them and the copies thereof may be required by any member of the Company to the same extent in the same manner and on payment of the same fee as in the case of the Register of Members.

140. A Director of this Company may be, or become a Director of any Company promoted by this Company, or in which it may be interested as a vendor, member or otherwise and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as a Director or member of such Company.

Directors may be
Directors of
Companies promoted
by the Company.

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

142. A Director or Manager shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307. 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 and Manager's holding of shares and debentures as aforesaid in a register kept for that purpose in conformity with Section 307 of the Act.

143. (1) Except with the consent of the Company accorded by a special resolution:-

- (a) no Director of the Company shall hold any office or place of profit; and
- (b) no partner or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a Director or member, and no Director, or Manager of such a private Company shall hold any office or place of profit carrying a total monthly remuneration of five hundred rupees or more;

except that of Managing Director, Manager, Banker, or Trustee for the holders of Debentures of the Company;

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

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

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

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

(2) Nothing in clause (1) above shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place of profit before such Director becomes a Director of the Company.

(3) Notwithstanding anything contained in clause (1) above—

- (a) no partner or relative of a director or manager,
- (b) no firm in which such director or manager or relative of either, is partner,
- (c) no private company of which such director or manager, or relative of either is a director or member,

shall hold any office or place of profit in the company which carries a total monthly remuneration of not less than three thousand rupees, except with the prior consent of the Company by a special resolution and the approval of the Central Government;

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

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

(5) Every individual firm, private Company or other body corporate proposed to be appointed to any office or place of profit to which this Article applies shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with a Director of the Company in any of the ways referred to in clause (1) hereof.

(6) If any office or place of profit referred to in clause (3) is held, without the prior consent of the company by a special resolution and the approval of the Central Government, the partner, relative, firm or private company appointed to such office or place of profit shall be liable to refund to the company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him on and from the date on which the office was so held by him.

(7) The company shall not waive the recovery of any sum refundable to it under clause (6) unless permitted to do so by the Central Government.

(8) Any office or place shall be deemed to be an office of profit under the Company within the meaning of this Article;

- (a) in case the office or place is held by a Director and the Director holding it obtains from the Company anything by way of remuneration over and above the remuneration to which he is entitled as such Director, whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.
- (b) In case the office or place is held by an individual other than a Director or by any firm, private company or other body corporate and the individual, firm, private company, or body corporate holding it, obtains from the company anything by way of remuneration, whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

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

Loans to Directors.

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

Board-Resolution necessary for contracts.

Provided that in case the paid-up shares capital of the company is not less than Rupees one crore, no such contract shall be entered into except with the previous approval of the Central Government.

(2) Nothing contained in the foregoing 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 the Director, relative, firm, partner or private company as aforesaid for cash at the prevailing market price; or
- (b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for the sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private Company as the case may be, regularly trades or does business.

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

(3) Notwithstanding anything contained in Sub-clauses (1) and (2) above a Director,

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

- (4) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board and not otherwise, and the consent of the Board required under clause (1) above shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.
- (5) If consent is not so accorded to any contract under this Article anything done in pursuance of the contract shall be voidable at the option of the Board.
- (6) The Directors so contracting or being so interested shall not be liable to the Company for any profit realised on any such contract or the fiduciary relation thereby established.

RETIREMENT AND ROTATION OF DIRECTORS.

Retirement by Rotation.

146. (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.

(2) The remaining Directors shall be appointed in accordance with the provisions of these Articles and particularly in accordance with the provisions of Articles 129 and 130.

Directors to retire annually how determined.

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

Ascertainment of Director's retiring by rotation.

147. 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 become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lots. Subject to the provisions of the Act, a retiring Director shall remain in office until the conclusion of the meeting at which his re-appointment is decided or his successor is appointed.

Eligibility for re-appointment.

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

Company to fill up vacancy.

149. The Company, at the Annual General Meeting at which a Director retires in manner aforesaid, may fill up the vacated office by electing the retiring Director or some other person thereto.

Provisions in default of appointment.

150. (1) If the place of the retiring Director or Directors is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.

(2) If at the adjourned meeting also, the place of the retiring Director or Directors is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director or Directors shall be deemed to have been 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 or Directors has been put to the meeting and lost;
- (b) the retiring Director or Directors has or have by a notice in writing addressed to the Company or its Board of Directors, expressed his or their unwillingness to be so re-appointed;
- (c) he is or they are not qualified or is or are disqualified for appointment;

- (d) a resolution, whether special or ordinary is required for his or their appointment or re-appointment by virtue of any provisions of the Act;
- (e) Article 152 or sub-section (2) of Section 263 of the Act is applicable to the case.

Notice of Candidate
for office of
Directors.

151. (1) Subject to the provisions of the Act and these Articles any person who is not a Retiring Director shall be eligible for appointment to the office of 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 registered office of 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.

(2) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under sub-clause (1) of this Article or Section 257 signifying his candidature for the office of Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

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

4) A person other than:

- (a) a Director re-appointed after retirement by rotation or immediately on the expiry of the terms of this office; or
- (b) an additional or alternate Director or a person filling a casual vacancy in the office of a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office; or
- (c) a person named as a Director of the Company under these Articles as first registered shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Individual resolution
for Directors.

152. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to be the meeting without any vote being given against it. A resolution moved in contravention of these Articles shall be void whether or not objection was taken at the time 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.

Removal of
Directors.

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

(2) Special notice as provided by Article 94 and Section 190 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

(3) On receipt of any such resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned, and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

(4) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall, unless the representation is received by it too late for it to do so (a) in the notice of the resolution given to the members of the Company state the fact of the representation having been made; and (b) send a copy of the representation to every member of the Company and if a copy of representation is not sent as aforesaid because it was received too late of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting; Provided that copies of the representations need

not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.

(5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 132 or Section 252 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special Notice of intended appointment has been given under Sub-Clause (2) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.

(6) If the vacancy is not filled under Sub-Clause (5) it may be filled as a casual vacancy in accordance with provisions (in so far as they are applicable) of Article 132 or Section 226 of the Act and all the provisions of that Section shall apply accordingly.

(7) A Director who has been removed from office under this Article shall not be appointed as Additional Director by the Board of Directors.

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

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

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

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

PROCEEDINGS OF BOARD OF DIRECTORS.

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

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

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

158. If a meeting of the Board cannot be held for want of quorum then the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday till the next successive day which is not a public holiday at the same time and place or at such other place as the Directors present at the meeting may fix.

159. (1) The Chairman shall be appointed by the Board of Directors.

The Company may increase or reduce number of Directors.

Meeting of Directors.

When meetings to be convened and notice thereof.

Quorum.

Adjournment of meeting for want of quorum.

Appointment of Chairman.

- (2) The Chairman may not be a whole-time Director of the Company but he shall be entitled to call for any information relating to Company's working.

160. All meetings of the Directors shall be presided over by the Chairman, if present but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same, then in that case, the Managing Director, if present, shall be the Chairman of such meeting and if the Managing Director be also not present then in that case, the Directors shall choose one of the Directors then present to preside at the meeting.

Who to preside at meetings of the Board.

161. 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 whether the Chairman appointed by virtue of these Articles or the Director presiding at such meeting shall, have a second or casting vote.

Question of Board Meeting how deciding. (casting vote)

162. Subject to the provisions of Section 292 of the Act and Article 170, the Directors may delegate any of their powers to committees as they may think fit and they may from time to time remove and discharge any such Committee either wholly or in part and either as to persons or purposes but every Committee so formed shall in the exercise of the powers so delegated to it conform with any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in the conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise shall have the like form and effect as if done by the Board. Subject to the provisions of Act, the Board may from time to time fix the remuneration to be paid to any member or members or their body constituting a committee appointed by the Board in term of these Articles and pay the same. All the meetings of the Committees, so appointed shall be presided over by the Managing Director.

Directors may appoint Committees.

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

Meetings of Committees how to be convened.

164. (1) A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 162 shall subject to the provisions of clause 9 hereof and the Act, be as valid and effectual as a resolution passed at a meeting of the Board 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 necessary papers, if any, to all the Directors or to all members of the Committee then in India (not being less in number than the quorum for a meeting of the Board or the Committee as the case may be) and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India or by majority of such of them as are entitled to vote on the resolution.

Meetings of Committees how to be convened.

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

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

Act of Board or Committee valid notwithstanding defect of appointment.

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

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

- (i) the name of the Directors present at the meeting of the Board of Directors or any Committee of the Board;

- (ii) all orders made by the Board of Directors or Committees of the Board and all appointments of officers and Committee of the Board;
- (iii) all resolutions and proceedings of meetings of the Board of Directors and Committees of the Board;
- (iv) in the case of each resolution passed at the meeting of the Board of Directors or Committee of the Board, the name of the Directors, if any, dissenting from or not concurring in the resolutions.

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

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

POWERS OF DIRECTORS

General power of Directors.

168. (1) Subject to the provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or things which is direct or required whether by the Act or any other law or by the Memorandum or these Articles or otherwise to be exercised or done by the Company in General Meeting, provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made thereunder including resolutions made by the Company in General Meeting.

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

Consent of Company necessary for the exercise of certain powers.

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

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

Certain Powers to be exercised by the Board only at meeting.

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

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

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

(2) Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegate. Provided, however, that where the company has an arrangement with its bankers for the borrowing of moneys by way of overdraft, cash credit or otherwise, the actual day to day operation of the overdraft, cash credit or other account by means of which the arrangement is made availed of shall not require the sanction of the Board.

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

(4) Every resolution delegating the power referred to in Sub-clause (1) (e) shall specify the total amount upto which loans may be made by the delegate, the purpose for which the loans may be made and the maximum amount of loan which may be made.

(5) Nothing contained in this Article shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in Sub-clauses (a), (b), (c), (d) and (e) of Clause (1) above.

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

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

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

(3) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept title as the Directors may believe or may be advised to be reasonably satisfactory.

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

(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the building, machinery, goods, produce and other movable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

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

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

(8) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such condition as to the transfer thereof as they think fit.

Certain Express Powers of the Board.

To pay preliminary and promotional costs and charges.

To pay commission and interest.

To acquire property.

To pay for property in debentures and otherwise.

To insure properties of the Company.

To open accounts with bank.

To secure contracts by mortgage.

To attach conditions of transfer to any shares.

To accept surrender of shares.	(9) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof so far as may be permissible by law.
To appoint Trustees.	(10) To appoint any person (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes, and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
To bring and defend action.	(11) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise, concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debt, due or of any claims or demands by or against the Company.
To refer to arbitration.	(12) To refer any claim or demand by or against the Company or any difference to arbitration and observe and perform any awards made thereon.
To act in insolvency matters.	(13) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
To give receipts.	(14) To make and give receipts, releases and other charges for moneys payable to the Company and for the claims and demands of the Company.
To authorise acceptances.	(15) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
To investment.	(16) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security and other investments (not being shares of this Company) or without security and in such manner as they may think fit, and from time to time vary or realise such investments provided that save as permitted by Section 48 of the Act all investments shall be made and held by the Company in its own name.
To execute Mortgages.	(17) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions and agreements as shall be agreed on.
To distribute Bonus.	(18) To distribute by way of bonus amongst the staff of the Company, a part of the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.
Arrangement for Sharing profits.	(19) Subject to the provisions of the Act, to give to any officer or other person employed by the Company an interest in any particular business or transaction by way of a share in the general profit of the Company, and such share or profits shall be treated as a part of the working expenses of the Company.
To provide for welfare of employees and to subscribe to Provident Funds etc.	(20) To provide for the welfare of employees or ex-employees of the Company and its Directors or Ex-Directors and the wives, widows and families and the dependants or connections of such persons, by building of house dwellings or quarters or by grant of money, pensions, gratuities, allowances, bonus, profit sharing bonus or benefits or any other payments, or by creating and from time to time subscribing or contributing to provident and other funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction, and recreation, hospitals, and dispensaries, medical and other attendances and other forms of assistance, welfare or reliefs as the Directors shall think fit and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other institution's objects or purposes for any exhibition.
To create depreciation and other funds.	(21) Before recommending any dividend to set aside out of the profits of the Company such amount as they may think proper for depreciation or to a Depreciation Fund, Insurance Fund, General Reserve Fund, Sinking Fund, or any special or other fund or funds or account or accounts to meet contingencies, or to pay Redeemable Preference Shares, debentures or debenture-stock or special dividends, and for equalising dividends, and for repairing, improving, and maintaining any part of the property of the Company, and/or for such purposes (including the purposes referred to in the last two preceding sub-clause) as the Directors may, in their absolute discretion think conducive to the interests of the Company and to invest the several sums so set aside or as much thereof as are required to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with

any such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital or moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund into such special funds as the Directors may think fit and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund appropriated out of net profits in the business of the Company or in the purchase or repayment of Redeemable Preference Shares, debentures or debenture stock and that without being bound to keep the same separate from the other assets, and without being bound, to allow or pay interest on the same with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

(22) Subject to the provisions of the Act, to appoint and at their discretion 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 or elsewhere in such manner as they think fit and the provision contained in sub-clauses (24), (25), (26) and (27) following shall be without prejudice to the general powers conferred by this sub-clause.

To appoint employees.

(23) To comply with the requirements of any local law which in their opinion it shall in the interest of Company be necessary or expedient to comply with.

To Comply with local laws.

(24) From time to time and any time to establish any Local Board for managing of the affairs of Company in any specified locality in India or elsewhere and to appoint any persons to be members of any Local Board, or any managers or agents, and to fix their remuneration.

Local Board.

(25) Subject to the provision of Section 292 of the Act and Article 170 from time to time, and at any time to delegate to any such Local Board or any member or members thereof any managers or agents 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, or any of them to fill up any vacancies, and any such appointment of delegation under sub-clause be subject to such conditions as the Board of Directors may think fit and the Board of Directors may at any time remove any person so appointed, and may annul or vary any such delegation.

Delegation.

(26) At any time and from time to time by power of attorney to appoint, any person or persons to be the attorney or attorneys of the company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in for exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors at a meeting of the Board under these presents and excluding the powers which may be exercised only by the Board of Directors at a meeting of the Board under the Act or these Articles or by the Company in General Meeting) and for such period and 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 powers enabling any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in them.

Power of attorney.

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

To delegate.

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

To enter into contracts etc.

**MANAGING DIRECTOR, MANAGING DIRECTORS OR
WHOLETIME DIRECTOR OR WHOLETIME DIRECTORS.**

Power to appoint
Managing Director.

172. (a) Subject to the provisions of Section 269, 316 and 317 and other applicable provisions of the Act and with the consent of the collaborator, the Board shall from time to time appoint one of the Directors as Managing Director of the Company.

Power to appoint
Managing Director or
wholetime Director.

(b) The Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors or a wholetime Director or wholetime Directors of the Company for such term not exceeding five years at a time and subject to such contracts as they may think fit.

What provisions he
shall be subject to.

173. Subject to the Provisions of the Act and of these Articles, the Managing Director or Managing Directors, or Whole-time Director or Whole-time Directors shall not, while he or they continue to hold that office, be subject to retirement by rotation under Article 146, but he or they shall, subject to the provisions of any contract between him or them and the Company, be subject to the same provisions as resignation and removal as the other Directors of Company and he or they shall also ipso facto and immediately cease to be a Managing Director or Managing Directors or Wholetime Director or Wholetime Directors if he or they cease to hold the office of Director from any cause.

Remuneration of
Managing Director.

174. The remuneration of the Managing Director or Managing Directors or Wholetime Director or Wholetime directors (subject to the provisions of Section 309 and other applicable provisions of the Act and of these Articles and of any contract between him or them and the Company) shall be in accordance with the terms of his or their contract with the Company.

Power and Duties of
Managing Directors.

175. Subject to the provisions of the Act and to the terms of any Resolution of the Company in General Meeting of any Resolution of the Board and to the terms of any contract with him or them, the Managing Director or Managing Directors shall function under the general superintendence, control and direction of the Board of Directors and subject to such limitation thereon as may be placed by them.

SECRETARY

Secretary.

176. Subject to the provisions of Section 383 (A) of the Companies Act the Directors may appoint a Secretary of the Company for such term at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by them. The Directors may appoint a temporary substitute for the Secretary, who shall for the purpose of these presents, be deemed to be the Secretary. The main function of the Secretary shall be the responsibility for maintaining registers required to be kept under the Act, for making the necessary returns to the Registrar of Companies under the Act and for getting the necessary documents registered with the Registrar and for carrying out all other administrative and ministerial acts. Duties and functions which a Secretary of a Company is normally supposed to carry out, such as giving the necessary notice to the members, preparing agendas of meetings, issuing notice to Directors, preparing minutes of meetings of members and of Directors and of any Committee of Directors and maintaining minute books and other statutory documents, and, he shall carry out the discharge such other functions and duties as the Director or the Managing Director may from time to time require him to do.

REGISTERS, BOOKS AND DOCUMENTS.

Registers, Books and
Documents to be
Maintained by the
Company.

177. (1) The Company shall maintain all Registers, Books and Documents as required by the Act or these Articles including the following namely:-

- (a) Register of investment held in the Company's name according to Section 49 of the Act.
- (b) Register of Debentures and Charges according to Section 143 of the Act.
- (c) Register of Members and Index of Members according to Sections 150 and 151 of the Act.
- (d) Register and Index of Debenture-holders according to section 152 of the Act.
- (e) Register of Contracts with and of Companies and Firms in which Directors are interested according to Section 301 of the Act, and shall enter therein the relevant particulars contained in Sections 297 and 298 of the Act.

- (f) Register of Directors and Managing Directors according to Section 303 of the Act.
- (g) Register of Shareholdings and Debenture-holdings of Directors according to Section 307 of the Act.
- (h) Register of investments in Shares or Debentures of bodies corporate according to Section 372 of the Act.
- (i) Books of Account in accordance with the provisions of Section 209 of the Act.
- (j) Copies of instruments creating any charges requiring registration according to Section 136 of the Act.
- (k) Copies of annual returns prepared under Section 159 of the Act together with the copies of the certificates required under Section 161 of the Act.
- (l) Register of Renewed and Duplicate Certificates according to Rule 7(2) of the Companies (Issue of Share Certificates) Rules, 1960.
- (m) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection for such person as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act, or these Articles and extracts shall be supplied to those persons entitled thereto in accordance with the provisions of the Act or these Articles.
- (n) The Company may keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act. Subject to the provision of Sections 157 and 158 the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Foreign Registers of members and/or Debenture holders.

THE SEAL

178. The Directors shall provide a SEAL for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the custody of the Seals for the time being, and the Seal shall never be used except by or under the authority of the Directors or a Committee of Directors previously given, and in the presence of a Director of the Company or such other persons appointed by the Directors for the purpose.

Seal

179. Subject to the provisions relating to the issue of share certificates every deed or the other instrument to which the Seal of the Company is required to be affixed, shall, unless the same is executed by duly constituted attorney of the Company, be signed by any one of the Director or Company Secretary. Provided nevertheless the certificates of debentures may be signed by one Director only or by the Secretary of the Company or by an Attorney of the Company duly authorised in this behalf and certificates of shares shall be signed as provided in Article 16.

Deeds how executed.

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

Seals abroad.

INTEREST OUT OF CAPITAL

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

Payment of interest out of Capital.

DIVIDENDS

182. The profit of the Company subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on a share held by them respectively. Provided always that capital paid up on a share during the period in respect of which a dividend is declared, shall unless the terms of issue otherwise provide, only entitle the holder of

Division of profits.

such share to such dividend proportionate to the capital from time to time paid up during such period on such share.

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

183. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.

Dividends in proportion to amount paid up.

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

The Company in General Meeting may declare a dividend.

185. The Company in General Meeting may, subject to the provisions of Section 205 of the Act, declare a dividend to be paid to the members according to their respective rights and interest in the profits and subject to the provisions of the Act may fix the time for its payment. When a dividend has been so declared either the dividend shall be paid or the warrant in respect thereof shall be posted within 42 days of the date of the declaration to the shareholders entitled to the payment of the same.

Power of Company to Limit Dividend.

186. No larger dividend shall be declared than is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or otherwise than in accordance with the provisions of Sections 205, 205A, 205B, 206 and 207 of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim Dividend.

187. Subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Retention of dividends until completion of transfer under Article 57.

188. Subject to the provisions of the Act, the Directors may retain the dividends payable upon any shares in respect of which any person is under Article 57 hereof, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same. The provisions of this Article shall apply to any interest created in a share either by reason of transmission or by operation of law or otherwise.

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

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

Transfer of shares must be remitted.

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

Dividends how remitted.

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

Unpaid dividend.

192. (1) No unclaimed dividend shall be forfeited by the Board and where a dividend has been declared by the Company but has not been paid, or the warrant in respect thereof has not been posted within forty-two days from the date of the declaration, to any shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of forty two days, transfer the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted within the said period of forty-two days to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account-Company."

(2) If the default is made in transferring the total amount referred to the sub-clause (1) or any part thereof to the unpaid dividend account of the Company, the Company shall pay, from the date of such default, interest on so much of the amount as has not been transferred to the said account, at the rate of twelve per cent per annum and the interest accruing on such amount shall ensure to the benefit of the members of the Company in proportion to the amount remaining unpaid to them.

(3) If any money transferred to the unpaid dividend account of the Company in pursuance of this clause which remains unpaid or unclaimed for a period of three years from the date of such transfer by the Company the same shall be credited to the general revenue account of the Central Government but a claim to any money so transferred to the general revenue account may be preferred to the Central Government by the person to whom the money is due and shall be dealt with as if such transfer to the general revenue account had not been made, the order, if any, for payment of the claim being treated as an order for refund of revenue.

(4) The Company shall, when making any transfer under sub-clause (3) to the general revenue account of the Central Government any unpaid or unclaimed dividend, furnish to such officer as the Central Government may appoint in this behalf a statement in the prescribed form setting form in respect of all sums included in such transfer, the nature of the sums, the names and last known addresses of the person entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed.

(5) The Company shall be entitled to a receipt from the Reserve Bank of India for any money transferred by it to the general revenue account of the Central Government and such receipt shall be effectual discharge of the Company in respect thereof.

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

Dividend and call together.

CAPITALISATION

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

Capitalisation.

(a) By the issue and distribution as fully paid up shares of the Company:

or

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

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

(2) Such issues and distribution under (1) (a) above and such payment to the credit of unpaid share capital under (1) (b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto in accordance with their respective rights and interest and in proportion to the amount of the capital paid up on the shares held by them respectively in respect of which such distribution under (1) (a) or payment under (1) (b) above shall be made on the footing that such members become entitled thereto as capital.

(3) The Directors shall give effect to any such resolution and apply such portion of the 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 of the Company so distributed under (1) (a) above or (as the case may be) for the purpose of paying in whole or in part the amount remaining unpaid on the shares which may have been issued and are not fully paid under (1) (b) above, provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution 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 specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash or shares in trustees upon such

trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares and fractional certificates or otherwise as they may think fit.

(5) Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company are fully paid 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 thereof but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied on the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro rata in proportion to the amount then already paid or credited as paid on the existing fully paid shares respectively.

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

ACCOUNTS

Books of Account to be kept.

195. (1) The Company shall keep at its Registered Office proper books of Account with respect to:-

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes 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 aforesaid may be kept at such other places in India as the Board of Directors may decide and when the Board of Directors so decides, the Company shall, within seven days of the decision, file with the Registrar a Notice in writing giving the full address of that other place.

(2) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at that office shall be kept at that office, and proper summarised returns, made upto-date at intervals of not more than three months, shall be sent by the branch office of the Company to its Registered Office or other place in India, as the Board thinks fit where the main books of the Company are kept.

(3) All the aforesaid books shall give a true and fair view of the affairs of the Company or its branch office, as the case may be, with respect to the matters aforesaid, and explain its transactions.

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

Books of Accounts to be preserved.

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

Inspection by Member of Accounts and books of the Company.

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

Statement of Account to be furnished to General Meeting.

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

- (a) in case of the first Annual General Meeting of the Company, to the period beginning with the incorporation of the Company and ending with a day which shall not precede the day of the meeting by more than nine months; and
- (b) in case of any subsequent Annual General Meeting of the Company, to period beginning with the day immediately after the period for which the account was last submitted and ending with the day which shall not precede the day of the meeting by more than six months, or in cases where an extension of time has been granted for holding the meeting under the second proviso to sub-section (1) of Section 166

by more than six months and the extension so granted. The period, to which the account aforesaid relates is referred to in this Article as a 'financial year' and it may be less or more than a calendar year, but it shall not exceed fifteen months; provided nevertheless it may extend to eighteen months where special permission has been granted in that behalf by the Registrar.

199. (1) (a) Subject to the provisions of Section 211 of the Act, every balance sheet shall give a true and fair view of the state of affairs of the Company as at the end of the financial year and shall, subject to the provisions of the said section, be in the form set out in Part-I of Schedule VI of the Act, or as near thereto as circumstances admit or in such other form as may be approved by the Central Government either generally or in any particular case and in preparing the balance sheet due regard shall be had, as far as may be, to the general instructions for the preparation of balance sheet under the heading "Notes" at the end of that part.

Balance Sheet and
Profit and Loss
Account.

(b) Subject as aforesaid, every Profit and Loss Account shall give a true and fair view of the profit or loss of the Company for the financial year and shall subject as aforesaid, comply with requirements of Part-II of Schedule VI of the Act, so far as they are applicable thereto.

(2) There shall be annexed to every Balance Sheet a statement showing the bodies corporate (including separately the bodies corporate in the same group within the meaning of the Section 372 (11) of the Act in the shares of which investment have been made by it including all investment whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out and the nature and extent of the investments so made in each body corporate.

(3) So long as the Company is holding company having a subsidiary, the Company shall conform to Section 212 and other applicable provisions of the Act.

(4) If in the opinion of the Board, any of the Current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

200. (1) Every Balance Sheet and every Profit & Loss Account of the Company shall be signed on behalf of the Board of Directors, by the Secretary if any, and by not less than two Directors of the Company, one of whom shall be the Managing Director where there is one.

Authentication of
Balance Sheet and
Profit and Loss Account.

(2) Provided that when only one Director is for the time being in India the Balance Sheet and Profit and Loss Account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason for non compliance with the provisions of Sub-Clause (1) above.

(3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with provisions of this Article and before they are submitted to the Auditors for their report thereon.

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

Profit and Loss
Account to be annexed
and Auditor's Report to
be attached to the
Balance Sheet.

202. (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 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.

Board's Report to be
attached to Balance
Sheet.

(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 and explanations in its reports or in cases falling under the provision to Section 222 of the Act in an addendum to that report, or 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 and Loss Account of the Company by virtue of Sub-Clauses (1) and (2) of Article 200.

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

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

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

ANNUAL RETURNS

Annual Returns.

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

AUDIT

Accounts to be audited.

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

Appointment of Auditors.

206. (1) Subject to the provisions of Section 224 and 224 A of the Act, the Company at each Annual General Meeting 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 thereof to every Auditor so appointed.

Automatic re-appointment

(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 had been given of an intended Resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be, the Resolution cannot be proceeded with.

Power of Central Government to fill vacancy.

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

Company to intimate to Central Government.

(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.

Appointment of first Auditors.

(5) The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first annual general meeting: Provided that the Company may, at a general meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the meeting.

Casual Vacancy.

(6) The Directors may fill any casual vacancy in the office of Auditor, but which 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.

Auditor not to be removed without Prior approval of Central Government.

(7) Except as provided in the proviso to Clause (5) above, any Auditor appointed under this Article may be removed from office before the expiry of his term only by the Company in General Meeting after obtaining the previous approval of the Central Government in that behalf.

Special Notice required for appointment to Person other than retiring Auditor.

(8) A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a Resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 225, shall apply in the

matter. The provisions of this clause shall also apply to a Resolution that a retiring Auditor shall not be re-appointed.

(9) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.

Qualifications and disqualifications of Auditors.

(10) 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.

207. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company except to the extent to which any exemption may be granted by the Central Government in that behalf.

Audit of Branch Office

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

Remuneration of Auditors.

209. (1) Every Auditor of the Company shall have the right of access at all times to the books and vouchers of the Company kept at the Registered office of the Company or elsewhere and shall be entitled to require from the Directors and Officers of the Company such information and explanations 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 received shall also be forwarded to the Auditor of the Company, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

Rights to receive Notice of General Meeting etc.

(3) The Auditor shall make a Report to the Members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account, and on every other document declared by the Act to be part of or annexed to the Balance Sheet or Profit and Loss Account which are laid before the Company in General Meetings during his tenure of office, and the Report shall state whether, in his opinion and to the best of his information and according to the explanations given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view:-

Auditors Report.

- (i) In the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year; and
- (ii) In case of the Profit and Loss Account, of the profit or loss for its financial year.

(4) The Auditor's Report shall also state:

- (a) Whether he has obtained all the information and explanation which to the best of his knowledge and belief were necessary for the purpose of his audit.
- (b) Whether in his opinion, proper books of account as required by law have been kept by the Company so far as appears from his examination of these books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him:
- (c) Whether the report on the accounts of any branch office audited under Section 228 by a person other than the Company's Auditor has been forwarded to him as required by clause (c) of sub-section (3) of that Section and how he had dealt with the same in preparing the Auditor's Report;
- (d) Where the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns:

(5) Where any of the matters referred to in sub-clauses (i) and (ii) of clause (3) of this Article or sub-clauses 4(a), (b), (c) and (d) hereof is answered in the negative or with a qualification the Auditor's Report shall state the reason for the answer.

Certain matter and to be Disclosed.

(6) The accounts of the Company shall not be deemed as not having been, and the Auditor's Report shall not state these accounts have not been properly drawn upon the ground merely that the Company has not disclosed certain matters if:

- (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in the Act or any other Act; and

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

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

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

DOCUMENTS AND SERVICE OF DOCUMENTS

Service of documents how effected.

211. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, 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.

(2) Where a document has been sent by post :

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

Service on members having no registered address.

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

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

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

Persons entitled to notice of general meetings.

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

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

Advertisement.

215. Subject to the provisions of the Act any document required to be served or sent by the Company 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 daily English and daily vernacular newspaper circulating in the district in which the Registered Office of the Company is situated.

Member bound by document given to Previous holders.

216. Every person who by operation of law, transfer, or other means whatsoever, shall become entitled to any share shall be bound by every document in respect of such share which,

previously to his name and address being entered on the Register, shall be duly served on or sent to the person from whom he derives his title to such share.

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

Notice by Company and signature thereto

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

Service of notice by members.

AUTHENTICATION OF DOCUMENTS

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

Authentication of documents and proceedings.

WINDING UP

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

Distribution of Assets.

221. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution, but subject to the rights attached to any preference share capital, divide amongst the contributories, in specie or kind, any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in Trustee upon such trusts of the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

Distribution of assets in specie or kind.

(2) If thought expedient, any such decision may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any such division shall be determined any contributory 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 involved a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special Resolution by notice in writing intimate to the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable act accordingly.

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

Rights of share holder in case of sale.

SECRECY CLAUSE

223. (a) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant and other person employed in the business of the Company, shall if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters related thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in

Secrecy Clause.

the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

(b) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or the Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process, which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the Managing Director it will be inexpedient in the interest of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

Director and others',
right to indemnity.

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

(b) Subject aforesaid every Director, Managing Director, Managers, Secretary or other Officer or employee of the Company or the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

Not responsible for act
of others.

225. 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, omissions, neglects of any other Director or officer or for joining in any omission or other act for conformity, or for any loss or expenses suffered by the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for 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 happens through his own dishonesty, willful neglect or default.

S. No.	Name, address, description & Occupation of the subscribers.	No. of Equity shares taken by each subscriber	Signature of the subscriber	Name, address description, occupation & signature of the witness
1.	A.S. Chatha S/o Late S. Tara Singh 540, Sector-8 Chandigarh Govt. Service	Ten (10)	Sd/-	
2.	J.N.L. Srivastva S/o Sh. B.L. Srivastva 1025, 11-C, Chandigarh Govt. Service	Ten (10)	Sd/-	
3.	P.S. Bajwa S/o S. Bawa Singh 321, 33-A Chandigarh Service	Ten (10)	Sd/-	
4.	Rajender Kumar Garg S/o Sh. Hans Raj Garg 89, Sector 7, Panchkula Industrialist.	Ten (10)	Sd/-	
5.	Ramesh Chander Mahajan S/o Late D.D. Mahajan 1595/36-D, Chandigarh Service	Ten (10)	Sd/-	
6.	Sunena Garg W/o Sh. R.K. Garg 89, Sector 7, Panchkula Industrialist.	Ten (10)	Sd/-	
7.	H.K. Singhal S/o Late B.R. Singhal 186, Sector 11-A Chandigarh Service	Ten (10)	Sd/-	

Chandigarh
Dated the 27th Feb. 1986.

