
MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION

OF

KUNSTSTOFFE INDUSTRIES LIMITED

UNDER THE COMPANIES ACT, 1956

(1 of 1956)

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

KUNSTSTOFFE INDUSTRIES LIMITED

I. The name of the Company is KUNSTSTOFFE INDUSTRIES LIMITED.

II. The Registered Office of the Company will be situated in the Union Territory of Daman & Diu.

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

(A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

1. To perform and undertake activities and carry on business pertaining to leasing, giving on hire or hire purchase, warehousing, factoring and related fields and without affecting the generality of the aforesaid provisions, providing financial assistance by means of leasing, giving on lease, hire or hire purchase, consumer credit, lending, selling, reselling, mortgaging, pledging or hypothecating or otherwise disposing off all forms of immovable and movable properties and assets including buildings, godowns, warehouses and real estate of any kind, nature or user, whatsoever and all types of industrial office and other plant, equipment and machinery, including heavy or medium industrial machinery, construction machineries, computers, electronic data processors, tabulators, equipments and instruments, air-conditioners, refrigerators, medical equipments, televisions, videos, and domestic equipments/appliances, or any system and any other items or any kind, nature or user whatsoever, whether industrial or consumer and all types of vehicles, ships or aircrafts and any other property of any kind, nature or user whatsoever, and whether required for manufacturing, processing, marketing, transporting, trading, or any other commercial or service business or profession and for the purpose of purchasing or taking on hire or hire purchase, otherwise acquiring dominion over the same whether new or used.

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

2. To provide a package of investment/merchant banking services by acting as Managers to public issue or private placement and to carry on the business of Registrars to investment schemes or companies, factoring, funds planning, lease brokerage, loan syndications, guarantee.
3. To provide a leasing/advisory/counselling/consultancy or computer or management or other service(s) to other entities and/or form the leasing arm of other entities.
4. To invest in and acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stocks, bonds, obligations and securities, issued or guaranteed by any Government, State, dominion, sovereign, ruler, commissioner, public body or authority, supreme, municipal, local or otherwise, whether in India or elsewhere.
5. To acquire any such shares, stocks, debentures, debenture stocks, bonds, obligations, or securities by original, subscription, tender, purchase, gift, exchange, or otherwise and to subscribe for the same, either conditionally or otherwise, and to guarantee the subscription thereof and exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
6. To advance, deposit or lend money, securities and properties to or with any company, body, corporate, firm, person or association to commence or expand any industrial or commercial activity or for any other business purposes, with or without security and on such terms as may be determined from time to time and to discount, buy, sell or deal in bills, notes, warrants, coupons and other negotiable or transferable securities or documents and to guarantee the performance of any contract by any such person. However the Company shall not carry on the business of Banking as defined under the Banking Regulation Act, 1949.

❖ Clause II is amended by passing special resolution for shifting of registered office from State of Maharashtra to Union Territory of Daman & Diu through Postal Ballot with requisite majority.



7. To take purchase or acquire by gift, exchange by otherwise and to hold, issue, re-issue, sell or deal in any shares (whether fully paid or partly paid) stocks, debenture, debenture stocks or other securities of all kinds.
8. To borrow or raise money in such manner as the Company shall think fit and in particular by issue of debentures (perpetual or otherwise or convertible or non-convertible) and to secure the re-payment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the Company's property (both present and future), including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or body corporate of any obligation undertaken by the Company or any other person or company, as the case may be, subject to the provisions of Section 58A and directives of the Reserve Bank of India.
9. To carry out financing operations and perform financing services including factoring, making of loans both short and long term.
10. To carry on business as underwriters and brokers of stock, shares, debenture stock, Government Bonds, Units of Unit Trust, National Savings Certificates, capitalists, financiers, concessionaries and merchants and to undertake and carry on, and execute all kinds of financial, commercial, trading and other operations to carry on any other business (except the issuing of General Insurance Policy or Policies of assurance on human life) which may seem to be capable of being conveniently carried on in connection with any of these objects or calculated directly or indirectly to enhance the value of or facilitate the realisation of, or render profitable, any of the property or rights of the Company provided that the Company shall not conduct any banking business as defined by the Banking Regulation Act, 1949.
11. To advance, subject to the provisions of the Banking Regulation Act, 1949, deposit or lend money, securities and properties to or with any company, body corporate, firm, person or association with or without security and on such terms as may be determined from time to time.
12. To acquire or amalgamate with any other Company whose objects include objects similar to those of this Company whether by sale or purchase (for fully or partly paid up shares or otherwise) of the undertaking, subject to liabilities of this or any such other Company as aforesaid, with or without winding up or by sale or purchase (for fully or partly paid up shares or otherwise) of all the shares of stock of this or any such other company as aforesaid or by partnership or in any other manner.
13. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, properties.
14. To enter into partnership or into any arrangements for sharing profits, union of interests, co-operation, joint venture, reciprocal concessions, or otherwise, with any person, firm or company carrying on or engaged in or about to carry on or engaged or in any business or transaction which this Company is authorised to carry on, engage in and to lend money to guarantee the contracts of or otherwise acquire and hold shares or securities of any such person, firm or company and to sell, re-issue with or without guarantee or otherwise deal with the same.
15. To enter into any agreement with any Government or authorities (municipal, local or otherwise) or any corporations, companies, or persons, which may seem conducive to the Company's objects or any of them and to obtain from any such Government, authority, Corporation, Company or person, any contracts, rights, privileges and concessions which the company may think desirable and to carry out, exercise and comply with any such contracts, rights, privileges and concessions.
16. To be interested in, promote, and undertake the formation and establishment of such institutions, business companies as may be considered to be conducive to the profit and interest of the Company.
17. To obtain any act of Central or State legislature, provisional order, licence or autonomous body or authority for enabling the Company to carry out any of its objects into effect or for effecting any modification of the Company's constitutions, or for other purpose which may seem expedient and to oppose any proceedings or application which may seem calculated directly or indirectly to prejudice the Company's interest.
18. To pay all the costs, charges and expenses of and incidental to the promotion and formation, registration and establishment of the Company and the issue of its capital including costs, charges, expenses of negotiations and contracts and arrangements made prior to and in anticipation of the formation and incorporation of the Company.
19. To remunerate (by cash or otherwise or in kind or by allotment of fully or partly paid share or shares credited as fully or partly paid up or in any other manner) any persons, firms, associations or companies for services rendered or to be rendered or in rendering technical aid and advice, granting licences or permission for the use of patents, trade secrets, trade marks, processes and acting as trustees for debenture holders or debenture stock-holders of the Company or for subscribing or agreeing to subscribe whether absolutely or conditionally or for procuring or agreeing to procure subscriptions whether absolute or conditional for any shares, debentures, or debenture stock, or other securities of the Company of any company promoted by this Company for services rendered in or about the formation or promotion for the Company or introducing any property or business to the Company or about the conduct of the business of this Company for guaranteeing payment of such debenture-stock or other securities and any interest thereon.
20. To procure the incorporation, registration or other recognition of the Company in any country, State or place and to establish and regulate agencies for the purpose of the Company's business and to apply or join in applying to any Parliament,



Local Government, Municipal or other authority or body, Indian, British, Colonial or foreign for any acts of Parliament, laws, decrees, concessions, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceedings or application which may seem calculated directly to prejudice the Company's interest.

21. To open and keep a register or registers in any State in India or abroad wherever it may be deemed necessary and expedient so to do and to allocate any number of shares in the Company to such register or registers.
22. To undertake and execute any trusts, the undertaking whereof may seem desirable, either gratuitously or otherwise.
23. To draw, make, issue, accept and to endorse, discount and negotiate promissory notes, cheques, hundies, bills of exchange, bills of lading, delivery orders, warrants, warehouse keepers certificates and other negotiable or commercial or mercantile instruments connected with the business of the Company subject to the Banking Regulation Act, 1949.
24. To open account or accounts with any individual, firm or Company or with any bank or banks and to pay into and to withdraw moneys from such account or accounts.
25. To invest, apply for and acquire or otherwise employ moneys belonging to or entrusted to or at the disposal of the Company upon securities and shares or without security, upon such terms as may be thought proper and from time to time to vary such transactions in such manner as the Company may think fit.
26. To lend or deposit moneys belonging to or entrusted to or at the disposal of the Company to such persons or company and in particular to customers and others having dealings with the Company with or without security, upon such terms as may be thought proper and to guarantee the performance of contracts by such person or company, but not to do the business of banking as defined in the Banking Regulations Act, 1949.
27. To incur debts and obligations for the conduct of any business of the Company and to purchase or hire goods, materials or machinery on credit or otherwise for any business or purpose of this Company.
28. To make advances upon or for the purchase of materials, goods, machinery, stores and other articles required for the purpose of the Company.
29. To receive money, securities, valuables of all kinds on deposit or safe custody (not amounting to the business of banking as defined under the Banking Regulation Act, 1949) and to borrow or raise money, or to receive money on deposit at interest, or otherwise in such manner as the Company may think fit, for the purposes of financing the business of the Company and in particular by the issue or sale of any bonds, mortgages, debentures or debenture-stocks, perpetual or otherwise, including debentures or debenture-stock convertible into shares of this or any other company, or perpetual annuities; and in securities of any such money so borrowed, raised, or received, to mortgage, or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital assignment or otherwise, and to transfer of sale and other powers as may seem expedient and to purchase, redeem, or pay off any such securities.
30. To sell, mortgage, assign or lease and in any other manner deal with or dispose of the undertaking or property of the Company or any part thereof, whether movable or immovable for such consideration as the Company may think fit and in particular for shares, debentures and other securities of any other company having objects altogether or in part similar to those of this Company.
31. To improve, manage, work, develop, alter, exchange, lease, mortgage, turn to account, abandon, or otherwise deal with all or any part of the property rights and concessions of the Company.
32. To distribute any of the property of the Company amongst the members in specie or kind upon the winding up of the Company subject to the provisions of the Act.
33. To create any depreciation fund, reserve fund, insurance fund, or any other special fund, whether for depreciation, or for repairing, improving, extending or maintaining any of the property of the Company, or for any other purpose conducive to the interests of the Company.
34. To guarantee the payment of money secured by or payable under or in respect of bonds, debentures, debenture stock, contracts, mortgages, charges obligations and other securities of any company or of any authority, Central, State, Municipal, local, or otherwise, or of any person howsoever, whether incorporated or not incorporated and generally to transact all kinds of guarantee business, and to further transact all kinds of trust and agency business.
35. To purchase or otherwise acquire, and to sell, exchange, surrender, lease, mortgage, charge, convert, hold, turn to account, dispose of, and deal in real and personal property and rights of all kinds, and in particular lands, buildings, hereditaments business concerns and undertakings, debenture stocks, mortgages, debentures, produce, concessions, options, contracts, patents, annuities, licences, stocks, shares, securities, bonds, policies, book debt and claims, privileges and choose in action of all kinds, including any interest in real or personal property, or any claims against such property or against any person or company and to carry on business concern or undertaking so acquired.
36. To acquire from time to time and to manufacture and deal in all such stock-in-trade, plant and machinery, goods, chattels, and effects as may be necessary or convenient for any business for the time being carried on by company.
37. To subscribe to become a member of, subsidise and co-operate with any other association, whether incorporated or not,



whose objects are altogether or in part similar to those of the Company, and to procure from and communicate to any such association, such information as may be likely to forward the objects of the Company.

38. To build, construct, alter, enlarge, put down, replace, maintain, improve, develop, work, control and or manage any building, office, factories, mills, ships, machinery, engines, water-works, gas-works, bridges, wharves, reservoirs, roads, tramways, railways, branches or siding electric power, heat and light, supply works, telephone works, hotels, clubs, restaurants, bars, places of workshop, places of amusement, pleasure grounds, parks, gardens, reading rooms, stores, shops, dairies and other works and conveniences which the Company may think directly or indirectly conducive to its objects or which may advance the interests of the Company and to contribute or otherwise assist or take part in construction, maintenance, developments, working, control and management thereof and to join with any other person or company in doing any of these things.
39. To improve, manage, develop, grant rights or privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company.
40. To vest any real or personal property rights or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company, and with or without any declared trust in favour of the Company.
41. To apply for, purchase or otherwise acquire, protect and renew in any part of the world patents, licences, concessions, patent rights, trade marks, designs and the like, conferring any exclusive or limited rights to their use, any secret or other information regarding any invention or research which may be seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, develop or grant licence in respect thereof otherwise turn to account the rights or information so acquired and to extend money in experimenting upon testing or improving any such patents, rights or inventions.
42. To acquire and undertake the whole or any part of the business, property or liabilities of any person, firm or body corporate, carrying on or proposing to carry on any business which the Company is authorised to carry on, or having property 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.
43. To enter into any arrangements with Government or any authority, supreme, municipal local or otherwise that may seem beneficial to any of the Company's objects and to apply for, promote and obtain any Act of Parliament, privilege, concession, licence, or authorisation of the Government or any other authority local or otherwise for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company and to carry out exercise and comply with any such act privilege concession, licence or authorisation.
44. To pay for any rights or property acquired by the Company, and to remunerate any person, company or public bodies whether by cash payment or by allotment of shares, debentures or other securities of the Company credited as paid up in full or part or otherwise.
45. To establish and equip laboratories and carry on analytical, experimental and other work or undertaking and research in relation to the general objects of the Company.
46. To take into consideration and to approve and confirm and or carry out all acts, deeds or things that may be done or entered into with any person, firm or body corporate by the promoters of the Company and further to enter into any arrangement, agreement or contract with the promoters and to reimburse them for all costs and expenses that may be incurred by them in or in connection with the formation or promotion of the Company.
47. To establish and maintain or procure the establishment and maintenance of any provident fund or any contributory or non-contributory pension or superannuation fund and to give or procure the giving of donations, gratuity, pensions, allowances, emoluments, bonuses, profit sharing bonuses, benefits or any other payment to any persons, who are or were at any time in the employment or service of the Company or its successors in business or of any Company, which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary, or who are or were at any time directors of the Company or any such other company as aforesaid and the wives, widows, families, dependent or connections of any such persons; and to provide for the welfare of all or any of the aforesaid persons from time to time by subscribing, subsidising or contributing to any institution, association, funds, clubs, trusts, profit sharing or other schemes and by building or contributing to the building of dwelling houses or quarters and by providing, subscribing or contributing, towards places or institutions of recreation hospitals and dispensaries, medical and other attendances; and to make payments to or towards the insurance of any such person as aforesaid and to do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
48. To aid pecuniarily or otherwise any association, body or movement having for its objects the solution, settlement or summoning of industrial or labour problems or the promotion of industry or trade.
49. To subscribe or donate to or guarantee money for any national, philanthropic, charitable, benevolent, public, general or useful object, fund or organisation, association or institution or for any exhibition or for any purpose which may be likely directly or indirectly to further the objects of the Company or the interest of its members.
50. To make donations to such persons and in such cases and either of cash or other assets as the Company may think directly or indirectly conducive to any of its objects or otherwise expedient.



51. To undertake and execute any trusts either gratuitously or otherwise.
52. Subject to the provisions of the Gift Tax Act, 1958, and statutory amendments thereof the Company has power to make and receive gifts either in cash or other movable or immovable properties.
53. To carry on and transact every kind of guarantee business, and every kind of indemnity business including therein the granting of policies, guarantee to fidelity of individuals, filling or about to fill situations of trust of confidence and such other description of ordinary guarantee business as the Company may from time to time think fit to conduct.
54. To do all or any of the above things and all such things as are incidental or may be thought conducive to the attainment of the above objects or any of them in any part of the world, and as principals agents, contractors, trustees or otherwise, and by or through trustees, attorneys, agents or otherwise and either alone or in conjunction with others and to establish offices, agencies, branches for carrying any of the aforesaid objects in India or elsewhere in the world and to undertake the management of the company or Companies having objects altogether or in part similar to those of the Company.

(C) OTHER OBJECTS:

55. To carry on the business of manufacturing and compressing carbonic acid, gas, oxygen, acetylene, carbon dioxide, sulphuric acid and all other type of gases and acids, ice, aerating machinery and parts thereof and the business and sellers of and dealers in all machinery chemicals and other materials incidental to the manufacture of carbonic acid, gas, oxygen acetylene, ice, aerating machinery and parts thereof and to transact all preparing processes and mercantile business that may be necessary or expedient and to purchase and vend the raw materials and manufactured articles including gas cylinders and parts thereof.
56. To manufacture, buy, sell, let on hire and deal in empty cylinders stoves, engines and other apparatus and conveniences which may seem calculated, directly or indirectly to promote the consumption of gas.
57. To manufacture, brew, distil, process, dehydrate, can package, buy, sell and deal in confectionery, dry and preserved fruits, juices, vegetables, packing materials, bread flour, biscuits, baking materials, beer, wines, alcohol and molasses, vanaspati, ghee, vegetable oils, processed food products ice cream, candy milk and milk products, sweets and all other eatables and by-products including fish, prawns and other edible produce of the water.
58. To engage in the business of engineering, contracting and construction, including the design, manufacture, construction, erection, alteration, repair and installation of plants, buildings, structures, ways, works, systems and mechanical, electrical and electronic machinery, equipment, apparatus and devices, as covered by object clause.
59. To carry on the business of manufacturers, dealers, importers, exporters, buyers, sellers, merchants, contractors, brokers, commission agents and moulders of all kinds of plastic, PVC, polypropylene, polystyrene, plasticizers, polythelene and polymers, articles, goods and products of all kinds in the manufacture of which above are used including shoes, pipes and tubes, fittings of all types, conduits and stabilizers.
60. To carry on the business of manufacturers of all kinds of plastic machinery, apparatus, equipment, utensils and any other articles for any purpose whatsoever and to manufacture, sell, supply and deal in such plastic machinery, apparatus, equipment and utensils of all kinds.
61. To search for, get, work, raise, crush, produce, refine, dress, manufacture, treat, purchase, sell, amalgamate, manipulate, export, import, or otherwise deal in coal, coke, hard coke, cinders, coal tar, pitch, esphatum, ammonia carb liquor, iron, iron stone, brick earth, bricks and other metals, minerals and substances, and to manufacture and sell patent fuel and other products.
62. To carry on the business of manufacturers of and dealers in iron, steel, aluminium, brass, copper and copper alloy, bimetal, lead, silver and all other ferrous and non-ferrous metal pipes seamless or otherwise, tubes, sheets, rods, squares, strips, plates, coils, condensers, seals wires, ingots, circles and other manufacturers, by-products and parts in all other respective branches.
63. To carry on the business of manufacturers, processors, fabricators, drawers, rollers and re-rollers of ferrous and non-ferrous metals, steels, bimetal products, copper and copper alloys, alloy steels, special and stainless steels, shafting, bars squares from scrap, sponge iron, pre-reduced pillars, billets including manufacturing, processing and fabricating of pipes, utensil wires, nails, wireropes, wire products, screws, expanded metal hinges, plates hoops angles and to manufacture any other engineering products, including hospital appliances and surgical instruments and to act as exporters and importers and dealers in all such and allied merchandise.
64. To carry on the business of water proofers and manufacturers of India-rubber, leather, imitation leather, cloth, plastic, oil cloth, linoleum, tarpaulins, hospital sheetings and surgical bandages.
65. To carry on the business of a water-works company in all its branches and to sink wells and shafts and to make, build, and construct, lay down and maintain dams, reservoirs, water-works, cisterns, culverts, filterheads, mains and other pipes and appliances and to execute and do all other acts and things necessary or convenient for obtaining, storing, delivering, measuring, distributing and dealing in water.



66. To acquire, takeover, promote, establish and carry on all or any of the business of seed crushers and manufacturers of and dealers in groundnut, gingelly, castor, cotton, mowra linseed, rape and mustard cakes, oil extractors by crushing chemical or any other process, cake and oil manufacturers, oil refiners, scrap boilers, manufacturers of floors cloths and floors covering of every description makers and manufacturers of cattle food and feeding and fattening preparations of every description, makers and manufacturers of artificial manures and fertilizers of every description, meal manufacturers, grain and seed merchants, oil merchants, flax, cotton, groundnut, gingelly, mowra and castor merchants.
67. To carry on business as proprietors and publishers of newspapers, journals, magazines, books and other literary works and undertakings, in all languages whether on payment of royalty or not.
68. To carry on the business of spinners, weavers, manufacturers, balers and press of jute, cuttings, jute rejections, flax hemp and any other fibrous materials and the cultivation thereof and the business of buyers and sellers of and dealers in jute, jute cuttings, jute rejections and any other fibrous materials and to transact all manufacturing curing and preparing process and mercantile business may be necessary or expedient and to purchase and vend the raw materials and manufactured articles.
69. To purchase, manufacture, produce, refine, prepare, import, export, sell and to generally deal in sugar, sugar beets, sugarcane, molasses, jaggery, melade and all products or by-products thereof and food products generally and in connection therewith to acquire, construct and operate sugar or other refineries, buildings, mills, factories and other works.
70. To establish, acquire, maintain and carry on the business of growers, cultivators, producers, planters, blenders, buyers, sellers, exporters, importers of and dealers in tea and to acquire by purchase or otherwise tea estates and garden in the State of West Bengal, Assam and other States in India and also at places outside India.
71. To carry on the business of manufacture and dealers in paper of all kinds and articles made from paper or pulp (mechanical or wood) and materials used in the manufacture or treatment of paper, including card board, card board boxes, straw boards, leather boards, mill boards, paste boards, pulp boards etc.
72. To carry on the business of manufacturers of dealers in electric, magnetic, galvanic and other apparatus, manufacturers of all kinds of electrical goods such as transformers, refrigerators, motors, fans, measuring instruments, insulations, domestic and industrial component and power plants.
73. To establish, own, erect, acquire, work and manage veneer mills, plywood factories and similar mills and factories and to peel, produce, manufacture and prepare for market, store, stock, buy, sell, export, import, distribute, deal in and carry on business in veneers, veneer products, veneer for tea-chests, packing cases and commercial boards, decorative veneers, veneers for furniture and cabinet making and other purposes, tea chests, commercial plywood, plywood for cabinet making, coach building, ship building, aeroplanes, partitions, panelling doors, windows and other construction purposes, decorative veneer boards, lamin boards, block boards, composite boards, compressed boards, pressed boards, hard boards, chip boards, bent wood, moulded wood and any other articles of like nature.
74. To carry on business as timber merchants, saw mill proprietors, and timber growers, and to buy, sell, grow, prepare for market, manipulate, import, export, and deal in timber and wood of all kinds, and to manufacture and deal in articles of all kinds in the main manufacture of which timber or wood is used, and to carry on business as general merchants, and to buy, clear, plant and work timber estates.
75. To carry on the business of spinners, weavers and manufacturers of all cotton, wools, silk, flax, hemp, rayon, nylon and other fibrous materials and man made fibres and to transact all manufacturing, curing, preparing, dyeing, colouring and bleaching processes and purchase and vend the raw materials and manufactured articles.
76. To carry on all or any of the following business: namely, cotton spinners and doublers, linen manufacturers, wool merchants, wool combers, worsted spinners, woollen spinners, yarn merchants, rayon worsted stuff manufacturers, bleachers and dyers and makers of vitriol, bleaching and dyeing materials, and to purchase, comb, prepare, spin, dye and deal in wool cotton, soil and other fibrous substances, and to weave or otherwise manufacture, buy and sell and deal in linen, cloth and other goods and fabrics, whether textiles felted, nettled, or looped and to supply power.
77. To conduct, carry on and manage the business of trades of whisky, gin, rum, brandy and general distillers, compounders, and rectifiers; merchants, exporters, importers, brokers, bottlers, sales agents and general traders in relation to the marketing and distribution at home and abroad of spirits, wines, liquors and all other productions derived from the cultivation of the grape, and generally to undertake, perform and carry out all or any of the operations ordinarily undertaken by distillery proprietors, wine growers, contractors and shippers, or by persons or companies engaged in such businesses.
78. To produce, manufacture, refine, prepare, import, export, purchase, sell and generally to deal in all kinds of Portland cement (Portland pozzolona cement, Portland slag cement, Portland rapid hardening cement, Portland high alumina, Portland oil well cement, special cement, masonry cement, lime pozzolona cement etc.) cement products of any description (pipes, poles, asbestos sheets, blocks, tiles, garden wares, etc.) lime, limestone, gypsum, kankar and/or bye-products thereof, and in connection therewith to take on lease or acquire, erect, construct, establish, operate and maintain cement factories, quarries, workshops and other works and to carry on in India or elsewhere the trades and business of the survey, prospecting and providing of cement grade lime stone deposits, asbestos and of manufacturers of cement and building materials of all kinds, miners and engineers in all their respective branches.

79. To carry on the business of the agriculturists, planters, cultivators, farmers and to plant, cultivate and purchase all kinds of food grains and food stuffs, oil seeds, vegetables, fruits, grass, timber, bamboo, straw, cotton, jute, rubber, sugarcane, tea, flowers, coffee, coconuts, cashew nuts, tobacco and other articles that are the produce of land or soil and to sell, purchase and deal in the same as principals or agents and to carry on business as dealers in and producers of dairy, farms and garden produce of all kinds, and in particular, milk, cream, butter, ghee, cheese, poultry and eggs, fruit and vegetables.
80. To carry on the business of advertising agents, to acquire and dispose of advertising time, space or opportunities in any media, to undertake advertising and promotional campaigns of every nature and to carry on business of printers, publishers, decorators in connection with the general advertising business and to do any other act or carry out any other contract for the promotion, continuance and advancement of the said business.

IV. THE LIABILITY OF THE MEMBERS OF THE COMPANY IS LIMITED.

- V. The Authorised Share Capital of the Company is Rs.15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crores Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each with power to subdivide, consolidate and increase or decrease with power from time to time to issue any shares of the original capital with and subject to any preferential, deferred, qualified or special rights, privileges or condition as may be thought fit, and upon the sub-division, of shares to apportion the right to participate in profits in any manner as between the shares resulting from the sub-division

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

Serial No.	Names, descriptions occupations, addresses and signatures of subscribers	No. of Equity Shares taken by each subscriber	Name, signature, address, occupation and description of witness
1.	Sheth Pravin Vrajlal S/o. Vrajlal H. Sheth, 17, Parekh Vora Chambers, 66, N. M. Road, Bombay - 400 023. (Practicing Chartered Accountant) sd/-	10 (Ten) Equity	
2.	Pazambalacode Subramania Krishnan S/o. Subramanian Iyer, 12, Aradhana, 386, Linking Road, Khar, Bombay - 400 052. (Service) Sd/-	10 (Ten) Equity	
3.	Atulchandra Umedchand Doshi S/o. Umedchand Damji Doshi, 59/10, United India Bldg., Scheme 6, Road No. 25, Sion (West), Bombay - 400 022 (Business) Sd/-	10 (Ten) Equity	Abdullah Ebrahim S/o. Ebrahim Fakir, 3rd floor, 35, Undivia Street, Bombay - 400 008. (Service) Sd/-
4.	Shah Bharat Jashwantlal S/o. Jashwantlal, Block No. 2, Viridi Niwas, 321, F. Dr. Ambedkar Road, Matunga, Bombay - 400 019. (Service) Sd/-	10 (Ten) Equity	
5.	Jitendra Chhaganlal Shah S/o. Chhaganlal Shah, 4, Professor Quarters, Ahmedabad - 16. (Business) Sd/-	10 (Ten) Equity	
6.	Sheth Vilina Pravin W/o. Pravin Sheth, 128, Bhaudaji Road, Matunga, Bombay - 400 019. (Business) Sd/-	10 (Ten) Equity	
7.	Sheth Sudhir Vrajlal S/o. Vrajlal H. Sheth, 25, Anand Nagar Society, Chharwada Road, Vapi. (Industrialist) Sd	10 (Ten) Equity	
	Total	70 (Seventy) Equity	

Bombay, Dated 25th September, 1985.

UNDER THE COMPANIES ACT, 1956

(1 of 1956)

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

KUNSTSTOFFE INDUSTRIES LIMITED

CONSTITUTION OF THE COMPANY

Constitution

1. The regulations contained in Table 'A' of the First Schedule of the Companies Act, 1956, shall not apply to the Company except in so as they are embodied in the following Articles, which shall be the regulation for the management of the Company.

INTERPRETATION CLAUSE

Interpretation

2. The marginal notes hereto shall not affect the construction thereof. In these presents, the following words and expressions shall have the following meanings, unless excluded by the subject or context:—

The Act

- (a) 'The Act' means 'The Companies Act, 1956'.

The Board or Board of Directors

- (b) 'The Board' or 'The Board of Directors' means a meeting of Directors duly called and constituted or as the case may be the Directors assembled at a Board Meeting or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
- (c) 'The Company' or 'This Company' means KUNSTSTOFFE INDUSTRIES LIMITED.

Directors

- (d) 'Directors' means the Directors for the time being of the Company or as the case may be the Directors assembled at a Board Meeting.

In writing.

- (e) 'In writing', includes printing, lithography, typewriting and any other usual substitutes for writing.

Members

- (f) 'Members' shall mean Members of the Company holding a share or shares of any class and registered in the Share Register of the Company.

Month.

- (g) 'Month' shall mean the Calendar Month.

The Office.

- (h) 'The Office' means the Registered Office of the Company.

Paid up.

- (i) 'Paid up' shall include "Credited as fully paid up".

Person.

- (j) 'Persons' shall include any Corporation as well as individuals.

Proxy.

- (k) 'Proxy' includes attorney duly constituted under a Power of Attorney.

Presents.

- (l) 'These presents' or 'Regulations' means these Articles of Association originally framed or altered from time to time and in force for the time being and include the Memorandum of Association where the context so requires.

Register.

- (m) 'The Register' shall mean the Register of Members to be kept as required by Section 150 of the Act.

Seal

- (n) 'The Seal' means the Common Seal for the time being of the Company.

Special Resolution.

- (o) 'Special Resolution' shall have the meaning assigned thereto by Section 189 of the Act.
(p) 'Words' importing the masculine gender shall include the feminine gender and vice versa.
(q) Words importing the singular shall include the plural, and words importing the plural shall include the singular.
(r) 'Section' means Section of the Companies Act, 1956 or any amendment thereof.

Year.

- (s) 'Year' means year of account of the Company.

COMMENCEMENT OF BUSINESS

Commencement of business.

3. The Company shall commence business or exercise any borrowing power only after the requirements of Section 149 of the Act, shall have been complied with.

Prohibition of investment of funds in Co.'s own shares.

4. Except as provided by Section 77 of the Act, no part of funds of the Company shall be employed in the purchase of shares of the Company and the Company shall not give, whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with the purchase of or subscription made or to be made by any person of or for any shares in the Company.

Share Capital.

5. The Authorised Share Capital of the Company is Rs.15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crores Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each.

Board's right to convert unissued shares, if any.

6. (a) The Board may, at its discretion, convert the unissued Equity Shares into Preference Shares or Redeemable Preference Shares and vice versa and the Board may issue any part or parts of the unissued shares upon such terms and conditions and with such rights and privileges annexed thereto as the Board at its discretion and subject to the provision of Section 86 of the Act thinks fit, and in particular may issue such shares with such preferential or qualified right to dividends and in the distribution of the assets of the Company as the Board may subject to the aforesaid sections determine.
(b) The Board may, at its discretion issue any portion of the Preference Shares not already issued, as redeemable preference shares which are at the option of the Company liable to be redeemed and subject to the provisions of Section 80 of the Act, on such terms as to dividends preferential payment or return of the amount paid up thereon and as to conditions and terms of redemption as the Directors may deem fit.

Allotment return.

7. The Board shall duly comply with the provisions of Section 75 of the Act, with regard to all allotment of Shares from time to time.
8. (1) The Board may, at any time, increase the subscribed capital of the Company by issue of new shares out of the unused part of the Share Capital in the original or subsequently created capital, but subject to Section 81 of the Act and the following provisions, namely:—
- (a) Where the offer and allotment of such shares are made within two years from the date of the incorporation of the Company or within one year from the first allotment of shares made after its incorporation, whichever is earlier, the Board shall be at liberty to offer the shares and allot the same to any person or persons at their discretion.
 - (b) In respect of offers and allotments made subsequent to the date set out in clause (a) above, the Directors shall subject to the provisions of Section 81 of the Act and of sub-clause (c) hereunder observe the following condition:—
 - (i) Such new shares shall be offered to the persons who at the date of the offer, are holder of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on these shares at that date.
 - (ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer is not accepted will be deemed to have been declined.
 - (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person, and the notice referred to in clause (2) shall contain a statement of this right.
 - (iv) After the expiry of the time specified in the notice aforesaid, or earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner, as it thinks most beneficial to the Company.
 - (c) The Directors may with the sanction of the Company in General Meeting offer and allot shares to any person at their discretion provided that such sanction is accorded either by:
 - (i) a special resolution passed at any General Meeting, or
 - (ii) by an ordinary resolution passed at a General Meeting by majority of the votes cast and with the approval of the Central Government in accordance with Section 81 of the Act.
- (2) Nothing in this clause shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to debentures issued or loans raised by the Company:—
- (i) to convert such debentures or loans into shares in the Company, or
 - (ii) to subscribe for shares in the Company.

Provided that the terms of issue of such debentures or the term of such loans include a term providing for such option and such term.

- (a) has been approved by a Special resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans and also.
- (b) either has 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 that Government in this behalf.
- (3) Option or right to call of shares shall not be given to any persons except with the sanction of the Company in General Meeting.

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

9. In addition to and without derogating from the powers for that purpose conferred on the Board under Article 8 the Company in General Meeting may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

Variation of rights.

10. The rights attached to each class of shares (unless or 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 varied with the consent in writing of the holders of three-fourth of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting, the provisions of these Articles relating to General Meetings shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of

the issued shares of that class.

Issue of further shares *pari passu* shall not affect the right of shares already issued.

11. The rights conferred upon the holders of the shares of any class issued, with preferred or other rights shall not, unless otherwise expressly provided for 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.

No issue with disproportionate rights.

12. The Company shall not issue any shares, not being Preference Shares, which carry voting rights or right in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being preference shares.

Commission for placing shares, debentures etc.

13. (1) Subject to the provisions of Section 76 of the Act the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, debentures, or debenture-stock of the Company but so that the statutory conditions and requirements shall be observed and complied with and amount or rate of commission shall not exceed five per cent of the price at which the shares are issued and in the case of debentures the rate of commission shall not exceed two-and-a-half per cent of the price at which the debentures are issued.
- (2) The Company may also, on any issue, pay such brokerage as may be lawful.

Issue other than for cash.

14. (1) The Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property sold or transferred, goods or machinery and appliances supplied, or for services rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business; and any shares which may be so allotted, may be issued as fully paid up shares, and if so issued, shall be deemed to be fully paid up shares.
 - (2) The said power vested in the Board by this Article shall not be exercised except by the unanimous consent of all the Directors or with the previous sanction of a special resolution passed at a General Meeting of the Company.
15. Where two or more persons are registered as joint holders of any share, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:
 - (a) The person whose name stands first on the register in respect of such share shall alone be entitled to delivery of certificate thereof.
 - (b) Any one of such persons may give effectual receipts for any dividend, bonus or return of capital payable in respect of such share and such joint holders shall be severally, as well as jointly liable for payment of all installments and calls due in respect of such share/shares.
 - (c) Any one of such persons 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, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose names any share stands shall for the purpose of this article, be deemed as joint holders thereof.
 - (d) In case of death of any one or more of such joint holders, the survivors shall be the only persons, recognised by the Company as having any title to or interest in such share, but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.
 - (e) All notices directed to be given to the members shall be given to whichever such persons is named first in the register, and notice so, given shall be sufficient notice to all the holders of such shares.

SHARE CERTIFICATES

Issue of Share Certificates.

16. Every certificate of title shares shall be issued under the seal of the Company. Every share certificate and every document of title

to the shares whether in renewal of an existing share certificate or other document of title or issued for the first time shall be issued, under the authority of the Board of Directors and in accordance with provisions of the Companies (Issue of Share Certificate) Rules, 1960 or any modification thereof and in accordance with the provisions of law or other rule having the force of law applicable thereto.

Rights to Certificate.

17. (1) Every person whose name is entered as a member in the Register shall be entitled to receive without payment.
- (a) One certificate for all his shares; or
 - (b) Where the shares so allotted at any one time exceed the number of shares fixed as marketable lot in accordance with the usages of Stock-Exchange, or at the request of the shareholder, several certificates one each per marketable lot and one for the balance.
- (2) The Company shall within three months after the allotment or within one month after application for the registration of the transfer of any shares or debentures complete and have ready for delivery the certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares or debentures otherwise provide.
- (3) Every certificate shall be under the seal and shall specify the shares or debentures to which it relates and the amount paid up thereon.
- (4) The provisions of clauses (2) and (3) above shall apply mutatis mutandis to debentures and debenture stock allotted or transferred.
- (5) No fee shall be charged for the issue of a new share certificate either for sub-division of the existing share certificate or for consolidation of several share certificates into one or for issue of fresh share certificates in lieu of share certificates on the back of which there is no space for endorsement of transfer or for registration of any Probate, Letters of Administration, Succession Certificate or like document or for registration of any Power of Attorney, Partnership Deed, or other similar documents.

JOINT HOLDERS OF SHARES

Joint holders.

18. 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 provisions following and to the other provisions of these Articles relating to joint holders:

Maximum Member.

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

Liability several as well as joint.

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

Survivors of joint-holders only recognised.

- (c) On the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit.

Delivery of Certificate.

- (d) Only one person whose name stands first in the Register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share.

Endorsement of transfer.

19. In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at their discretion direct an endorsement of the transfer and the name of the transferee and other particulars, on the existing share certificate and authorise any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate, in the name of the transferee.

Renewal of Certificate.

20. If a certificate be worn out, defaced, destroyed, or lost or if there is no further place on the back thereof for endorsement of transfer, it shall if requested, be replaced by a new certificate free of charge provided however, that such new certificate shall not be granted except upon delivery of the worn-out or defaced or used up certificate for the purpose of cancellation, in accordance with the Companies (Issue of Share Certificates) Rules, 1960 or upon proof of destruction or loss, and on such indemnity as the Board may require in the case of the certificate having been destroyed or lost. Any duplicate certificate shall be marked as such.

Company's lien on shares.

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

Enforcing of lien by sale.

22. For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they think fit but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holder of the shares for the time being or to the person entitled to the shares by reason of the death or insolvency of the registered holder.

Authority to transfer.

23. To give effect to such sale the Board of Directors may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application of proceeds of sale.

24. (1) The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (2) The residue if any, shall, subject to like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Application of any money due to a shareholder.

25. Any money due from the Company to a shareholder, may without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person to the Company in respect of calls or otherwise.

CALLS ON SHARES

Calls.

26. Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the date, time and place or at the dates, times and places appointed by the Board of Directors.

Calls when deemed to be made.

27. The Board of Directors, may when making a call by resolution, determine, the date on which such calls shall be deemed to have been made not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is fixed the call shall be deemed to have been made on the date on which the resolution of the Board making the call was passed.

Notice for call.

28. Not less than 14 days notice of any call shall be given specifying the date, time and place of payment provided that before the time for payment of such call, the Directors, may by notice in writing to the members, extend the time for payment thereof.

Sums payable at fixed date to be treated as calls.

29. If by the terms of issue of any share or otherwise any amount is made payable at any time fixed dates or by installments at fixed dates whether on account of the share or by way of premium, every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.

Calls to carry.

30. (1) If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at such rate fixed by the Board of Directors from the day appointed for the payment thereof to the time of the actual payment, but the Board of Directors shall be at liberty to waive payment of that interest wholly or in part.
- (2) The provisions of this Article as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share becomes payable at a fixed date, whether on account of the amount of the share or by the way of premium, as if the same had become payable by virtue of a call duly made and notified.

Payment on call in advance.

31. The Board of Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding (without the sanction of the Company in General Meeting) 9 per cent per annum as may be agreed upon between the member paying the sum in advance and the Board of Directors but shall not in respect of such advances confer a right to the dividend or to participate in profits or to any voting rights.

Partial payment not to preclude forfeiture.

32. Neither a judgement nor a decree in favour of the Company, for calls or other moneys due in respect of any share, nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall, from the time to time, be due from any member in respect of any share, shall, from time to time, be due from any member in respect of any share, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
33. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

TRANSFER AND TRANSMISSION OF SHARES

Procedure as to transfer of shares.

34. (1) The instrument of transfer of any shares in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof. The instrument of transfer shall be in respect of only one class of shares and should be in the form prescribed under Section 108 of the Act.
- (2) The Board of Directors shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company along with the certificate relating to the shares and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Provided that where it is proved to the satisfaction of the Board of Directors that an instrument of transfer signed by the transferor and transferee has been lost, the Company may if the Board of Directors think fit, on an application in writing made by the transferee and bearing the stamp required on an instrument of transfer, register the transfer on such terms as to indemnity, as the Board of Directors may think fit.

- (3) An application for the registration of the transfer of any share or shares may be made either by the transferor or by the transferee, provided that where such application is made by the transferor no registration shall be in the case of partly paid

shares be effected unless the Company gives notice of the application to the transferee and the company shall unless objection is made by the transferee within 2 weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

- (4) For the purpose Of sub-clause (3) notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer, and shall be deemed to have been delivered in the ordinary course of post.
- (5) Nothing in clause (4) shall prejudice any power of the Board to register as a share holder any person to whom the right to any share has been transmitted by operation of law.
- (6) Nothing in this Article shall prejudice the power of the Board of Directors to refuse to register the transfer of any shares, to transferee, whether a member or not.

35. The shares in the Company shall be transferred by an instrument in writing in the prescribed form, duly stamped and in the manner provided under the provisions of Section 108 of the Act and any modification thereof and the Rules prescribed thereof.

Board's right to refuse to register.

36. (1) Subject to the provisions of Section 111 of the Act, the Board may at any time in their absolute discretion and without assigning any reasons decline to register any transfer of or transmission by operation of law of the right to a share, whether fully paid-up or not and whether the transferee is a member of the Company or not and may also decline to register any transfer of shares on which the Company has a lien.

Provided further that the registration of transfer shall not be refused on the ground of the transferor being alone or either jointly with any other person or persons indebted to the Company on any account except a lien on the shares.

- (2) If the Board refuses to register any transfer or transmission of right, they shall within 1 month from the date on which the instrument of transfer or the intimation of such transmission was delivered to the Company send notice of the refusal and the transferor or to the person giving intimation of such transmission, as the case may be.
- (3) In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 111, of the Act.
- (4) The provisions of this clause shall apply to transfers of stock also.
- (5) Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered, the Company shall notwithstanding anything contained in any other provision of the Act or these Articles.
 - (a) transfer the dividend in relation to such shares to the special account referred to in Section 205 A of the Act unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instruments of transfer and
 - (b) keep in obedience in relation to such shares any offer of rights shares under Section 81(1)(a) of the Act and any issue of fully paid-up bonus shares in pursuance of Section 205(3) of the Act read with Article 158 hereof.

Further right of Board of Directors to refuse to register.

37. The Board of Directors may also decline to recognise any instrument of transfer unless:

- (a) The instrument of transfer is accompanied by the certificate of shares to which it relates and such other evidence as the Board of Directors may reasonably require to show the right of the transferor to make the transfer, and
- (b) The instrument of transfer is in respect of only one class of shares.

Endorsement of transfer and issue of certificate.

38. (1) Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Managing Director or by some other person for the time being duly authorised by the Managing Director in this behalf. In case any transferee of a share shall apply for a new Certificate in lieu of the old or existing certificate he shall be entitled to receive a new certificate in respect of which the said transfer has been applied for and upon his delivering up for cancellation every old or existing certificate which is to be replaced by a new one.
- (2) Notwithstanding any other provisions to the contrary in these presents, no fee shall be charged for any of the following, viz.

42A *Dematerialisation of Securities*

(a) Definitions : For the purpose of this Article :

"Beneficial Owner" means a person or persons whose name is recorded as such with a depository;

"SEBI" means the Securities and Exchange Board of India;

"Bye-laws" means by-laws made by depository under Section 26 of the Depositories Act, 1996;

"Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as depository under the Securities and Exchange Board of India Act, 1992, and shall, inter-alia, include the National Securities Depository Ltd., and/or Central Securities Depository Ltd., or any other such depository set up in future as the case may be;

"Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by Regulations;

"Regulations" means the regulations made by the SEBI Board;

"Security" means shares, debentures and such security as may be specified by the SEBI Board from time to time.

(b) Dematerialisation of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to and to accordance with the Depository Act, 1996 and other Rules, Regulations and Guidelines as may be applicable in this behalf.

(c) Option for investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository, if permitted by law, in respect of any security in the manner provided by the Depository Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of the securities.

Provided that if a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security and, on receipt of the information, the depository shall enter in its record, the name of the allottee as the beneficial owner of the security.

(d) Securities in depositories to be in fungible form.

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

(e) Rights of Depositories and Beneficial Owners

(1) Notwithstanding anything contrary contained in the Act or these Articles, a depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

(2) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the Securities held by it.

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

(f) Service of Documents

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

(g) Option to opt out in respect of any security

(1) If a beneficiary owner seeks to opt out of a depository in respect of any security, he shall inform the Company.

(2) The Depository shall on receipt of such intimation make appropriate entries in its records and shall inform the Company.

(3) The Company shall, within thirty(30) days of the receipt of intimation from a depository and on fulfillment of such conditions and on payment of such fees as may be specified by the Regulations, issue the certificate of securities to the beneficial owners or the transferee, as the case may be.

(h) Section 83 and 108 of the Act not to apply

(1) Section 83 of the Act shall not apply to securities held with a depository.

(2) Nothing contained in Section 108 of the Act shall apply to a transfer of securities effect by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.



(i) Allotment of Securities dealt with by a Depository

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

(j) Distinctive number and securities held in a Depository

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

(k) Register and Index of Beneficial Owners.

The Register and Index of Beneficial Owners, maintained by depository under the Depository Act, 1996 shall be deemed to be Register and Index of Members and Security holders for the purpose of these Articles."

(l) Powers of the Board

The Board shall have full powers to take all such steps as may be required for the purpose of dematerialisation of the existing securities, as may be deemed expedient and/or may be directed by the Competent Authority in this regard and to decide in respect of all matters incidental to this Article as may be required from time to time including inter-alia, the joining of one or more depositories as may be deemed expedient by the Board.





43A *Nomination for Shares and Debentures*

Every holder or joint holder(s) of shares in the Company or holder or joint holder(s) of debenture of the Company, may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 (including any amendment thereto or any re-enactment thereof) and in the manner prescribed thereunder, any person to whom all the rights in the shares in or debentures of the Company shall vest in the event of death of such holder(s). Any nomination so made shall be dealt with by the Company in accordance with and in the manner prescribed under the provisions of section 109B of the Companies Act, 1956 or any statutory modifications or re-enactment thereof for the time being in force.

- (a) for registration of transfers and debentures; or for transmission of shares and debentures;
- (b) 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 receipts into denominations corresponding to the market units of trading;
- (c) for sub-division of renounceable Letters of right;
- (d) for issue of certificates in replacement of those which are old decrepit or worn out, or where the cages on the reverse for recording transfers have been fully utilised;
- (e) for registration of any power of attorney, probate, letters of administration or similar other documents.

Register of Members.

39. The Company shall keep a book to be called "Register of Members" and therein shall be entered the particulars of every transfer or transmission of any shares and all other particulars of shares required by the Act to be entered in such Register.

Custody of transfer deeds.

40. The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of 6 years or more.

Closure of Register of members.

41. The Board of Directors may after giving not less than 7 days previous notice by advertisement in some newspapers circulating in the district in which the REGISTERED OFFICE OF THE Company is situate close the Register of Members or the Register of Debenture holders for any period or periods not exceeding in the aggregate 45 days in each year but not exceeding 30 days at any one time.

Transmission of Regd. shares.

42. (1) The executors or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognised by the Company, as having any title to the shares registered in the name of such member and in the case of death of any one or more of the joint holders of any registered shares, the survivors shall be only persons recognised by the Company as having any title to or interest in such shares.

Provided that if the member should have been a member of a joint Hindu family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonging to the joint family may recognise the survivors or the Kartha thereof as having title to the shares registered in the name of such member Provided further in any case it shall be lawful for the Board in the absolute discretion to dispense with the production of probate or letters of administration or other legal representation upon such terms as to indemnity or otherwise as to the Board may deem just.

- (2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any shares which were jointly held by him with other persons.

Rights & liabilities of legal representatives.

43. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, elect either:
- (a) to be registered himself as holder of the shares: or
 - (b) to make such transfer of the shares as the deceased or insolvent member could have made.
- (2) The Board shall, in either case, have the same right to decline or suspend registration as they would have had, if the deceased or insolvent member had transferred the shares before his death or insolvency.

DEVOLUTION OF RIGHTS

Notice of election by legal representative.

44. (1) If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (3) All the limitations, restrictions and provisions of these regulations to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not

occurred and the notice of transfer were a transfer signed by that member.

- (4) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or transfer the share, and if the notice is not complied with within 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Company's right to register by apparent legal owner.

45. The Company shall incur no liability or responsibility whatsoever in consequence of their registering or giving effect to any transfers of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable rights or referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, 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 the books of the Company, but the Company shall nevertheless be at liberty to have regard and attend to any such notice and give effect thereto if the Board shall think fit.

If call or installment not paid notice may be given.

46. If a member fails to pay any call or installment of a call on the day appointed for the payment thereof, the Board of Directors may at any time thereafter during such time as any part of such a call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as unpaid, together with any interest, which may have accrued.

Form of notice of forfeiture.

47. The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day named the shares in respect of which the call was made will be liable to the forfeiture.

Board's right to forfeit if requirements of notice are not complied with.

48. If the requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a Resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Sale of forfeited Shares.

49. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board of Directors may think fit, and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Board of Directors may think fit.

Liability after forfeiture.

50. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding remain liable to pay and shall forthwith pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, but his liability shall cease if and when the Company received payment in full of the nominal amount of shares whether legal proceeding for the recovery of the same had been barred by limitation or not.

Declaration of forfeiture.

51. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and that declaration and receipt of the Company for the consideration if any given for the shares on the sale or disposition thereof, shall constitute a good title to the share, and the person to whom the share is sold or

disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the shares be affected by way or irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

Non-payment of sums payable at fixed times.

52. The provisions of these Regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of share, became payable at a fixed time, whether on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

CONVERSION OF SHARES INTO STOCK

Conversion of shares.

53. The Company may by ordinary resolution convert all or any of its fully paid up shares of any denomination into stock and vice versa.
54. 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 the shares from which the stock arose.

Rights of Stock holders.

55. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but not such privileges or advantages (except participation in the dividends and 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 applicable to shares (paid up) apply to stock or stock holders.

56. Such of the regulations contained in these presents (other than those relating to the share warrants) as are applicable to paid up shares shall apply to stock and the words 'share' and 'shareholder' in these presents shall include 'stock' and 'stock-holder' respectively.

ALTERATION OF CAPITAL

Alteration & consolidation of Capital.

57. The Company may from time to time but subject to the provisions of Section 94 of the Act, alter the conditions of its Memorandum as follows:
- (a) Increase its share capital by such amount as it thinks expedient by issuing new shares.
 - (b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - (c) Convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denominations.
 - (d) Subdivide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision the proportion between the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
 - (e) Cancel any shares which, at the date of the passing of the resolution in that behalf, 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.
 - (f) The resolutions whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with others.

Application of provision to new shares.

58. The new shares shall be subject to the same provisions with to the payment of calls, lien, transfer, transmission, forfeiture, and

otherwise as the shares in the original share capital.

Reduction of Capital etc. by Company.

59. The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law:

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

SHARE WARRANTS

Issue of share warrants.

60. (1) The Company may issue share warrants subject to and in accordance with provisions of Sections 114 & 115 of the Act and accordingly, the Board may in their discretion, with respect to any share registered as fully paid-up, on application in writing signed by the person registered as fully paid-up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence, if any as the Board may from time to time, require to the identity of the person signing the application, and on receiving the certificate if any of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time prescribe, issue a share warrant and may provide by coupons or otherwise for the payment of the future dividends on the shares specified in the share warrant.
- (2) A share warrant shall entitle the bearer of the shares included in it and the shares be transferred by the delivery of the share warrant and the provisions of the Articles of the Company with respect to transfer and transmission of shares shall not apply thereto.
- (3) The bearer of a share warrant shall, on surrender of the warrant to the Company for cancellation and on payment of such fee as the Board may from time to time prescribe, be entitled to have his name entered as a member in the Register of Members in respect of the shares included in the warrant.

Requisition of Meeting by bearer of shares warrants.

61. (1) The bearer of a share warrant may at any time deposit the warrant at the Registered office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the shares included in the deposit warrant.
- (2) Not more than one person shall be recognised as depositor of the share warrant.
- (3) The Company shall on two days written notice return the deposited share warrant to the depositor.

Disabilities of holder.

62. (1) Subject as herein otherwise expressly provided no person shall as bearer of a share warrant sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a member at a meeting of the Company or be entitled to receive any notice from the Company.
- (2) The bearer of a share warrant shall be entitled in all other respect the same privileges and advantages as if he was named in the Register of member as the holder of the shares included in the warrant and he shall be a member of the Company.

Renewal.

63. The Board, may from time to time, make rules as to the terms on which, if they shall fit, a new warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction of the original warrant or coupon.

STATUTORY MEETINGS

Statutory Meeting.

64. (1) The Company shall within a period of not less than one month nor more than six months from the date at which the Company is entitled to commence business hold a General Meeting of the members of the Company which shall be called the Statutory Meeting.

59A

Buy Back of Shares :

Notwithstanding anything contained in the preceding Article 59, but subject to the provisions of the Act and all other applicable provisions of law, as may be in force at any time and from time to time, the Company may acquire, purchase, hold, resell, re-allot any of its own fully/partly paid shares and may make payment out of funds at its disposal for and in respect of such acquisition/purchase on such terms and conditions and at such times as the Board may in its discretion decide and deem fit.



- (2) The Board of Directors shall, not less than 21 days before the date on which meeting is held, forward a report called the Statutory Report to every member of the Company. Provided that if the Statutory Report is forwarded later than is required above, it shall, notwithstanding the fact, be deemed to have been duly forwarded if it so is agreed to by all the members entitled to vote at the meeting.
- (3) The Board of Directors shall comply with the provisions of Section 165 in connection therewith.

GENERAL MEETINGS

Annual General Meeting.

65. The Company shall in addition to other meetings hold a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions specified below:—
- (a) The first Annual General Meeting of the Company shall be held within 18 months of its incorporation.
 - (b) Thereafter an annual general meeting of the Company shall be held once in every calendar year within 6 months after the expiry of each financial year subject however to the power of the Registrar of Companies to extend the time within which such a meeting can be held for a period not exceeding 3 months and subject thereto not more than 15 months shall elapse from the date of one annual general meeting and that of the next.
 - (c) Every annual general meeting shall be called for at a time during the business hours on a day that is not a public holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate.
 - (d) Notice calling such meeting shall specify them as the annual general meetings.
 - (e) All other meetings shall be referred to as Extraordinary General Meetings.

Extra-Ordinary General Meetings.

66. The Board of Directors may whenever they think fit, convene an Extraordinary General Meeting at such time and at such places they deem fit. Subject to such directions if any, given by the Board, the Managing Director or the Secretary may convene an extra-ordinary General Meeting.

Extra-Ordinary General Meeting by requisition.

67. (a) The Board of Directors shall on the requisition of such number of members of the Company as is specified below proceed duly to call an Extra-ordinary General Meeting of the Company and comply with the provisions of the Act in relation to meetings on requisition.
- (b) The requisition shall set out matters for consideration of which the meeting is to be called shall be signed by the requisitionists, and shall be deposited at the registered office of the Company or sent to the Company by registered post addressed to the Company at its registered office.
 - (c) The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
 - (d) The number of members entitled to requisition a meeting with regard to any matter shall be such number of them holding at the date of the deposit or despatch to the registered office of the requisition, not less than $\frac{1}{10}$ th of such of the paid-up capital of the Company as at that date carries the right of voting in regard to the matter set out in the requisition.
 - (e) If the Board of Directors do not, within 21 days from the date of deposit of requisition with regard to all matters proceed duly to call a meeting for the consideration of those matters on a date not later than 45 days from the date of deposit of the requisition the meeting may be called by the requisitionists themselves or such of the requisitionists as represent either majority in value of the paid-up share capital held by all of them or of not less than $\frac{1}{10}$ th of such paid-up capital of the Company as is referred to in sub-clause (d) above.

Length of notice for calling meetings.

68. A General Meeting of the Company may be called by giving not less than 21 days notice in writing provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded in the case of the Annual General Meeting by all the members entitled to vote thereat and in the case of any other meeting by members of the Company holding not less than 95% of that part of the paid-up share capital which gives the right to vote on the matters to be considered at the meeting, provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purpose of this Article in respect of the former resolution or resolutions and not in respect of the latter.

Accidental omission to give notice not to invalidate meeting.

69. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of, or any resolution passed at such meeting.

Special business

70. (a) All business shall be deemed special that is transacted at an Extra-ordinary General Meeting and also that is transacted at the Annual General Meeting with the exception of business relating to:—
- (i) The consideration of the Accounts, Balance Sheet, Report of the Directors and Auditors.
 - (ii) The declaration of dividend.
 - (iii) The appointment of Directors in the place of those retiring, and
 - (iv) The appointment and fixing of the remuneration of the Auditors.
- (b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest if any, therein of every Director, and the Managing Director if any, where any item of business consists of the according of approval to any document by the meeting, the time and place where such document can be inspected shall be specified in the statement aforesaid.

Provided that where any item of special business as aforesaid is to be transacted at the meeting of the Company, relates to or affects any other company, the extent of share holding interest in that other Company of every Director and the Managing Director of the Company, shall also be set out in the statement if the extent of such share holding interest is not less than 20% of the paid-up share capital of that other Company.

PROCEEDINGS AT GENERAL MEETINGS

Quorum.

71. Five members personally present shall be a quorum for a general meeting and no business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business.

If quorum not present when meeting to be dissolved and when to be adjourned.

72. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon by the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or such other day and at such other time and place as the Board may determine and if at the adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

Chairman of General Meeting.

73. The Chairman, if any, of the Board of Directors shall preside as Chairman at every General Meeting of the Company.

When Chairman absent, choice of another to take the chair.

74. If there is no such Chairman, or if at meeting he is not present within 15 minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman, the Directors present shall choose another Director as Chairman, and if so Directors be present or if all the Directors decline to take the chair, then the members present shall choose some one of their number to be Chairman.

Adjournment of Meeting.

75. The Chairman may, with the consent of any meeting at which a quorum is present (and shall, if so directed by the meeting), adjourn that meeting from time to time and for place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as nearly as may be in the case of original meeting. Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

Question at General Meeting how decided.

76. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of Section 179 of the Act. Unless a poll is so demanded, a declaration by the Chairman, that a resolution, on a show of hands, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of, or against that resolution.

Taking of poll.

77. If a poll is duly demanded in accordance with the provisions of Section 179 of the Act, it shall be taken in such a manner as the Chairman in accordance with the provisions of the Act and Sections 184 and 185 of the Act direct and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Chairman to have casting vote.

78. In the case of an equality of votes, the Chairman shall, both on a show of hands and on a poll, have a casting vote in addition to the vote or votes to which he may be entitled to as a member.

In what case without poll taken adjournment.

79. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll, demanded on any other question shall be taken at such time not being later than 48 hours from the time when demand was made as the Chairman may direct.

VOTE OF MEMBERS

Voting right of Members.

80. (1) Every member holding any equity shares shall have a right to vote in respect of such shares on every resolution placed before the meeting. On a show of hands every such member present in person shall have one vote. On a poll, his voting right in respect of his equity shares shall be in proportion to his share of the paid-up capital in respect of the equity shares.
- (2) In the event of the Company issuing any preference shares the holders of such preference shares shall have the voting rights set out in that behalf in Section 87 of the Act.

Business may proceed notwithstanding demand for poll.

81. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person who made the demand.

Voting rights of joint holders.

82. In the case of joint holders, the vote of the first named of such joint holders who tenders a vote whether in person or by proxy; shall be accepted to the exclusion of the votes of the other joint holders.

Voting by members of unsound mind.

83. 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.

No member entitled to vote while call due to Company.

84. No member shall be entitled to vote in any general meeting unless all calls or other sums presently payable by him in respect of his shares in the Company having been paid.

Proxies permitted on poll.

85. On a poll, votes may be given either personally or by proxy.

Proxies.

86. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint any person whether a member or not as his proxy to attend and vote instead of himself, but the proxy so appointed shall not unless he be a member have any right to speak, at the meeting and shall not be entitled to vote except on a poll.

Instrument of proxy.

87. (1) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if the appointer is a Corporation either under the common seal or under the hand of an officer or attorney so authorised. Any person may act as proxy whether he is a member or not.
- (2) A Corporate body (whether a Company within the meaning of the Act or not) may, if it is a member or a creditor or a debenture holder of the Company, by the resolution of its Board of Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company or at any meeting of the creditors of the Company held in pursuance of the provisions contained in any Debenture or Trust Deed as the case may be. The person also authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which represents, as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.
- (3) So long as an authorisation under clause (2) above is in force, the power to appoint proxy shall be exercised only by the person so appointed as representatives.

Proxy to be deposited at the office.

88. The instrument appointing a proxy and the power of attorney or other authority if any, under which it is signed or a notarially certified copy of that power of authority, shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Validity of vote by proxy.

89. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or the revocation of the proxy, or the transfer of the share in respect of which the proxy is given. Provided that no intimation in writing of the death, revocation or transfer shall have been received at the Registered office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.
90. Every instrument appointing a proxy shall be retained by the Company and shall be either of the forms specified in Schedule IX of the Act or a form as near thereto as circumstances will admit.

Chairman's ruling regarding votes final.

91. Subject to the provisions of the Companies Act, 1956, the Chairman of the General Meeting shall be the sole and absolute judge of the validity of every vote tendered at such meeting, or at a poll demanded at such meeting, and may allow or disallow any vote tendered according as he shall be of opinion that the same is or is not valid.

DIRECTORS

Number of Directors.

92. Unless otherwise determined by a General Meeting the number of Directors shall not be less than 3 and not more than 12.

First Directors.

93. The present Directors of the Company are as follows:

- 1 Ms. Soniya P. Sheth - Mg. Director
- 2 Mr. Mr. S. C. Asnotkar
- 3 Mr. Bhaskar T. Iyer
- 4 Mr. S. Chacko
- 5 Mr. U. R. Jha
- 6 Mr. Rajender J. Sharma

Share qualification not necessary.

94. Any person whether a member of the Company or not may be appointed as Director and no qualifications by way of holding shares shall be required of any Director.

Director's power to fill up casual vacancy.

95. Any casual vacancy occurring in the Board of Directors may be filled up by the Directors, and the person so appointed shall hold office up to the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

Additional Directors.

96. The Board of Directors shall have power at any time, and from time to time to appoint one or more persons as additional directors, provided that the number of Directors and additional Directors together shall not exceed the maximum number fixed. Any additional Director so appointed shall hold office upto the date of the next annual general meeting, but he shall be eligible for election by the Company at that meeting.

Alternate Directors.

97. The Board of Directors may appoint an alternate Director to act for a Director (hereinafter called the original Director) during the absence of the original Director for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An alternate Director so appointed shall vacate office if and when the original Director returns to the State in which meetings of the Board are ordinarily held. If the term of office of the original Director is determined before he so returns to the State aforesaid, any provision for the automatic reappointment of retiring Director in default of another appointment shall apply to the original and not to the alternate Director.

Remuneration of Directors.

98. Every Director, (including the ex-Officio Director) shall be paid a sitting fee not exceeding as prescribed under the Companies Act 1956 as may be amended from time to time.) for each meeting of the Board of Directors or of any Committee thereof attended by him and shall be paid in addition thereto all travelling, hotel and other expenses properly incurred by him in attending and returning from the meetings of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company to and from any place.

Remuneration for extra services.

99. If any Director being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from the town in which the Registered Office of the Company may be situated for any purposes of the Company or in giving special attention to the business of the Company or as a member of the Board, then subject to Sections 198, 309 and 34 the Board may remunerate the Director so doing either by a fixed sum or by percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

Continuing Directors may Act.

100. The continuing Directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or of summoning a General Meeting of the Company but for no other purpose.

Vacation of office of Director.

101. The office of a Director shall be vacated if:

(a) he is found to be of unsound mind by a Court of competent jurisdiction; or

- (b) he applies to be adjudicated or is adjudged an insolvent; or
- (c) he fails to pay dues made on him in respect of shares held by him within 6 months from the last date fixed for the payment of the call unless the Central Government has by notification in the official gazettee, removed the disqualification incurred by such failure; or
- (d) he is convicted by a Court for any offence involving normal turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- (e) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or
- (f) 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 299, or
- (g) he acts in contravention of Section 295; or
- (h) he becomes disqualified by an order of Court under Section 203; or
- (i) he is removed in pursuance of Section 284; or
- (j) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.

Provided that notwithstanding anything in sub-clauses (b), (d) and (h) above the disqualification referred to in those clauses shall not take effect;

- (a) For 30 days from the date of adjudication, sentence or order.
- (b) Where any appeal or petition is preferred within 30 days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of 7 days from the date on which such appeal or petition is disposed of, or
- (c) Where within the 7 days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed would result in the removal of the disqualification, until such further appeal or petition is disposed of.

Director may Contract with the Company.

102. (1) Subject to the provisions of the Act, the Directors including the Managing Director, if any shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise nor shall apply any contract or arrangement entered into by or on behalf of the Company with any Director the Managing Director or with any Company or partnership of or in which any Director or Managing Director shall be a member or otherwise interested be avoided nor shall any Director or the Managing Director, so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director or the Managing Director holding that office or of the fiduciary relation thereby established, but the nature of the interest must be disclosed by him or them at the meeting of the Board at which the contract or arrangement is determined on, if the interest then exists or any other case at the meeting of the Board after the acquisition of the interest.

Provided nevertheless that no Director shall take part in the discussion of or vote, as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so his meeting during the transaction of the business in relation to which he is precluded from voting although he shall not be counted for the purpose of ascertaining whether there is a quorum of Directors present. The provision shall not apply to any contract by or on behalf of the Company to give to the Directors of the Managing Directors or any of them any security by way of indemnity against any loss which they or any of them suffer by becoming or being sureties for the Company or to any contract or arrangements entered into or to be entered into with a public company, or a private company which is a subsidiary of a public company, in which the interest of the Director aforesaid consists solely in his being a director of such Company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company or in his being a member holding not more than 2% of its paid up share capital.

- (2) A general notice that any Director is a Director or a member of any specified company or is a member of any specified firm and is to be regarded as interested in any subsequent transaction with such company or firm shall, as regards any such transaction with such company or firm shall, as regards any such transaction, be sufficient disclosure under this Article and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such Company or firm.
- (3) A Director may be or become, a Director or member of any Company promoted by this Company or in which this Company may be interested as vendor; shareholder or otherwise and no such Director shall be accountable to the company for any benefits

received as a Director or member of such Company.

Equal power to Directors.

103. Except as otherwise provided in these Articles all the Directors of the Company shall have in all matters equal rights and privileges and be subject to equal obligations and duties in respect of the affairs of the Company.

ROTATION OF DIRECTORS

Ex-Officio Directors.

104. The term ex-officio directors wherever occurring in these presents shall mean and include the Managing Directors appointed under Article 139 below and the Ex-Officio Directors declared under Article 112 below and to any Director appointed in pursuance of Article 134 below and referred to as nominated Director.
105. (a) Not less than $\frac{1}{3}$ rd of the total number of the Directors of the Company for the time being holding office shall be Directors whose period of office is liable to be determined by retirement by rotation and who shall be appointed by the Company in General Meeting.
- (b) At the first Annual General Meeting of the Company the whole of the Board of Directors except Ex-officio Directors shall retire from office and at the Annual General Meeting in every subsequent year, $\frac{1}{3}$ rd of such of the Directors as are liable to retire by rotation for the time being or if their number is not three or multiple of three, then the number nearest to $\frac{1}{3}$ rd shall retire from office.

Retiring Director's eligible for re-election.

106. "No person not being a retiring Director shall be eligible for appointment to the office of Director at a General Meeting unless he or some member intending to propose him has not less than fourteen days before the meeting, left at the office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be alongwith a deposit of Rs. 500/- which shall be refunded to such person or, as the case may be, to such member if the person concerned succeeds in getting elected as a Director at the aforesaid general meeting."

Which Directors to retire.

107. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall unless they otherwise agree among themselves be determined by lot.

Retiring Directors to remain in office till successors appointed.

108. Subject to the provisions of Section 256 of the Act, if at any Meeting at which an election of Directors ought to take place, the place of the vacating Directors is not filled up and the Meeting has not expressly resolved not to fill up 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 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 and if at the adjourned Meeting the place of retiring Directors is not filled up and the Meeting has also not expressly resolved not to fill up the vacancy then the retiring Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned Meeting.

Power to General Meeting.

109. Subject to the provisions of Sections 252, 255 & 259 of the Act, the Company in General Meeting may by ordinary resolution increase or reduce the number of its Directors within the limit fixed by Article 92.

Power to remove Directors by ordinary resolution.

110. Subject to the provisions of Section 284 of the Act, the Company may by an ordinary resolution in General Meeting remove any Directors before the expiration of his period of office, and may by an ordinary resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected as Director.

Rights of persons other than retiring Directors to stand for Directorship.

111. A person not being a retiring Director shall be eligible for appointment to the office of a Director at any General Meeting if he or some other member intending to propose him as a Director not less than 14 days before the meeting has left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director or the intention of such member to propose him as a candidate for that office as the case may be.

Ex-officio Director not liable for retirement.

112. The Company in General Meeting may when appointing a person as a Director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period or until the happening of such event or contingency as the Board may specify and thereupon such Director shall not be liable for retirement by rotation but shall hold office for the period or until the happenings of any event or contingency set out in the said resolution. Such Director shall hereinafter be referred to as "Ex-Officio Director".

PROCEEDINGS OF THE DIRECTORS

Meeting of the Board.

113. (1) The Board of Directors shall meet at least once in every three calendar months for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit provided that at least four such meetings shall be held in every year.
- (2) The Managing Director may at any time summon a meeting of the Board and the Managing Director or a Secretary on the requisition of a Director shall at any time summon a meeting of the Board. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director.

Quorum.

114. The quorum for a meeting of the Board will be $\frac{1}{3}$ rd of the total strength (any fraction contained in that $\frac{1}{3}$ rd being rounded off as one) or two Directors whichever is higher provided that where at any time the number of interested Directors is equal to or exceeds $\frac{2}{3}$ rd of total strength the number of remaining Directors, that is to say the number of Directors who are not interested present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

Questions how decided.

115. (1) Save as otherwise expressly provided in the Act, a meeting of the Board for the time being at which quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.
- (2) In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

Election of Chairman of Board.

116. (1) The Board may elect a Chairman of its meeting and determine the period for which he is to hold office.
- (2) If no such Chairman is elected or if at any meeting the Chairman is not present within 5 minutes after the time appointed for holding the meeting, the Directors present may choose one of the number to be Chairman of the meeting.

Delegation of powers.

117. (1) The Board, may subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (2) Any committee so framed, shall in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

Election of Chairman of Committee.

118. (1) If the Chairman of the Board is a member of the Committee, he shall preside over all meetings of the Committee. If the Chairman is not a member thereof, the Committee may elect a Chairman of its meeting. If no such Chairman is elected, or

if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the Meeting.

- (2) The quorum of a committee may be fixed by the Board of Directors and until so fixed if the Committee is of a single member or two members, shall be one and if more than two members shall be two.

Questions how determined.

119. (1) A Committee may meet and adjourn if it thinks proper.

- (2) Questions arising at any meeting of a committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of vote, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

Validity of Acts done by Board or of Committee.

120. All acts done by any meeting of the Board or of a Committee thereof or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

Resolution by circulation.

121. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee then in India, not being less in number than the quorum fixed for the meeting of the Board or the Committee, as the case may be, and to all other Directors or members at their usual addresses in India and approved by such of the directors as are then in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

POWERS & DUTIES OF DIRECTORS

General powers of Company vested in Directors.

122. The business of the Company shall be managed by the Board of Directors, who may exercise all such powers of the Company, as are authorised by the Act or any statutory modification thereof for the time being in force, except those by these presents, required to be exercised by the Company in General Meeting. Provided in exercising any power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or any other provision of law or the Memorandum of Association of the Company or these Articles or in any regulation not in consistent therewith and duly made thereunder including regulation made in General Meeting shall invalidate no regulation made by the Company in General Meeting, any prior act of the Board which would have been valid if that regulation had not been made.

Further powers of Directors.

123. Without prejudice to the generality of the foregoing it is hereby expressly declared that the Directors shall have the following powers, that is to say, power:
- (1) To carry on and transact the several kinds of business specified in clause III of the Memorandum of Association of the Company.
 - (2) To draw, accept, endorse, discount, negotiate and discharge on behalf of the Company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, Government promissory notes, other Government instruments, bonds, debentures or debenture stocks of Corporation, Local bodies, Port Trusts, Improvements Trusts or other Corporate Bodies and to execute, transfer deeds for transferring stocks, shares or stock certificates of the Government and other local or corporate bodies in connection with any business or any subject of the Company.
 - (3) At their discretion, to pay for any property rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, or other securities may be either specifically charged upon all or any of the property of the Company or not so charged.
 - (4) To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisers, accountants, cashiers, agents, dealers, brokers, foreman, servants, employees of every description and to employ such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interest of the Company and

upon such items as to duration of employment, remuneration or otherwise as may be required and security in such instances and to such amounts as the Directors think fit.

- (5) To accept from any member, on such terms and conditions as shall be agreed, a surrender of his shares of stock or any part thereof.
- (6) To secure the fulfillment of any contracts or agreements entered into by the Company, by mortgage or charge of all or any of the property of the Company or in such other manner as they think fit.
- (7) To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.
- (8) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- (9) To determine who shall be entitled to sign on the Company's behalf bills of exchange, promotes, dividend warrants, cheques, and other negotiable, instruments, receipts, acceptance, endorsements, releases, contracts, deeds, and documents.
- (10) From time to time regulate the affairs of the Company in such manner as they think fit and in particular to appoint any person to be the attorneys or agents for the Company either abroad or in India with such powers including power to sub- delegate and upon such terms as may be thought fit.
- (11) To invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such securities as they think fit.
- (12) To execute in the name on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers covenants and provisions as shall be agreed upon.
- (13) To give to any person employed by the Company a commission on the profits, or any particular business or transactions, or a share in the general profits of the company and such commission, or share of profits, shall be treated as part of the working expenses of the Company.
- (14) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.
- (15) 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 of the Company.
- (16) To pay gratuities, bonus, rewards, presents and gifts to employees or dependents of any deceased employees to charitable institutions or purposes, to subscribe for provident funds and other associations for the benefit of the employees.

Power to delegate to Committee.

124. Subject to the provisions of Section 292 of the Act, and other provisions of the Act, the Board may delegate from time to time and at any time to a Committee formed out of the Directors all or any of the powers, authorities, and discretions for the time being vested in the Board and any such delegations may be made on such terms and subject to such conditions as the Board may think fit.

Attorney of the Company.

125. The Board may appoint, at any time and from time to time by a power of attorney under the Company's seal any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may, if the Board thinks fit be made in favour of the members, or any of the members of any firm or company, or the members, directors, nominees or managers of any firm or company or otherwise in favour of any body or persons, whether nominated directly or indirectly by the Board, and any such power of attorney may contain such provision for the protection or convenience of persons dealing with such attorney as the Board may think fit.

Power to authorise sub-delegation.

126. The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in it.

Duty to maintain Registers etc. and records of minutes.

127. (1) The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of the mortgages and charges affecting the properties of the company or created by it and to keeping a Register of the Directors and to sending to the Register an annual list of members and a summary of particulars of shares and stock and copies of special resolutions and other resolutions of the Board as are required to be filed with the Registrar under Section 192 of the Act, and a copy of the Register of Directors and notification of any charges therein.
- (2) The Company shall comply with the requirement of Section 193 of the Act, in respect of keeping of the minutes of all proceedings of every General Meeting and of every meeting of the Board or any Committee of the Board.
- (3) The chairman of the meeting may exclude at his absolute discretion such of the matter as are or could reasonably be regarded as defamatory of any person, irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

Secretary.

128. The Board shall have the power to appoint as the Secretary a person possessing the prescribed qualifications, and fit in their opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as they may determine. The Secretary shall have such powers and duties as may, from time to time be delegated to or entrusted to him by the Directors.

Powers as to commence of branch business.

129. Any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company may be undertaken by the Board at such time or times as they shall think fit and further may be suffered by them to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

Delegation of Powers.

130. Subject to the provisions of Section 292 the Board may delegate all or any of their powers to any Directors jointly or severally or to any one Director or at their discretion.

BORROWING

Borrowing.

131. (1) The Board of Directors may from time to time but with such consent of the Company in General Meeting as may be required under Section 293 raise any moneys or sums of money for the purpose of the Company provided that the moneys to be borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not without the sanction of the Company at a General Meeting exceed the aggregate of the paid up set apart for any specific purpose and in particular, but subject to the provisions of Section 292 of the Act the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, by the issue of debenture perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities and in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely in trust and give the lenders powers of sale and other powers as may be expedient and to purchase redeem or pay off any such securities.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors.

- (2) The Directors may by a resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a Committee of Directors or the Managing Director, if any, within the limits prescribed.
- (3) Subject to the provisions of the above sub-clause, the Directors may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the company, at such time and in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by opening current accounts or by receiving deposits and advances with or without security, or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company (both present and future) including its uncalled capital for the time being, or by mortgaging or charging or pledging any lands, buildings, goods or other property and securities of the Company or by such other means as to them may seem expedient.

Assignment of debentures.

132. Such 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.

Terms of debenture issue.

133. (a) Any such debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privileges as to redemption, surrender, drawings, allotment of shares of the Company, appointment of Directors or otherwise. Debentures, debenture stocks, bonds or other securities, with a right of conversion into or allotment of shares shall be issued only with the sanction of the Company in General Meeting.
- (b) Any trust deed for the securing of any debenture- stock and or any mortgage deed and or other bond for securing payment of moneys borrowed by or due by the Company and or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner, may provide for the appointment, from time to time, by any such mortgage, lender, trustees or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company.
- (c) Such trust, deed, mortgage, deed, bond or contract may provide that the person appointing a Director as aforesaid may from time to time remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debentures or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.
134. The Director or Directors so appointed by or under a mortgage deed, debenture trust deed or other bond or contract as aforesaid shall be called "Nominated Directors", the words "Nominated Director" shall mean the Director appointed as aforesaid and for the time being holding such office. The Nominated Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or be removed from office of the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provisions as may be arranged between the Company and mortgage, lender, trustee or contracting party as the case may be and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.

Register of Mortgages.

135. The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act, in regard to the registration of mortgages and charges therein specified.

Subsequent assignees of uncalled capital.

136. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same, subject to such prior charge and shall make the same, subject to such prior charge and shall not be entitled, by notice to the shareholders or otherwise to obtain priority over such prior charge.

Charge in favour of Director for indemnity.

137. If the Directors or any of them or any other persons, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

Powers to be exercised by Board only at Meeting.

138. (1) The Board of Directors shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board:
- (a) Power to make calls on shareholders in respect of moneys unpaid on their shares;
 - (b) Power to issue debentures;
 - (c) Power to borrow moneys otherwise than on debentures;
 - (d) Power to invest the funds of the Company.

- (e) Power to make loans.
- (2) The Board of Directors may by a meeting delegate to any Committee of the Directors or to the Managing Director the powers specified in sub-clauses (c), (d) and (e) above.
- (3) Every resolution delegating the power set out in sub-clause (c) above shall specify the total amount upto which money may be borrowed by the said delegate.
- (4) Every resolution delegating the power referred to in sub-clause (d) above shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegates.
- (5) Every resolution delegating the power referred to in sub-clause (e) above shall specify the total amount upto which the loans may be made by the delegate the purposes for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.

MANAGING DIRECTORS/WHOLE TIME DIRECTORS

Appointment of Managing Directors or Whole-time Directors.

- 139. (a) The Board may from time to time with such sanction of the Central Government as may be required by law, appoint one or more of their body to the office of the Managing Director or Managing Directors or whole time Directors.
- (b) The Directors may from time to time resolve that there shall be either one or more Managing Directors or whole time Directors.
- (c) IN the event of any vacancy arising in the office of a Managing Director or wholetime Director if the Directors resolve to increase the number of Managing Directors or wholetime Directors, the vacancy shall be filled up by the Board of Directors and the Managing Director or whole time Director so appointed shall hold the office for such period as the Board of Directors may fix.
- (d) If a Managing Director or Wholetime Director ceases to hold office as Director, he shall ipso facto and immediately cease to be a Managing Director or Wholetime Director.
- (e) The Managing Director or wholetime Director shall not be liable to retirement by rotation as long as he holds office as Managing Director or whole time Director.

Powers & duties of Managing Director or Whole-time Director.

- 140. Managing Director or Whole-time Director shall subject to supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors as they may think fit and confer such powers for such time and to be exercised for such objects, purposes and upon such terms and conditions and with such restrictions as they may think expedient and they confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. The Managing Directors or wholetime Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

Remuneration of Managing Directors/Whole-time Directors.

- 141. Subject to the provisions of the Act and subject to such sanction of the Central Government as may be required for the purpose, the Managing Directors or Wholetime Directors shall receive such remuneration (whether by way of salary, commission or participation in profits, or partly in one way and partly in another) as the Company in General Meeting may from time to time determine.

Reimbursement of expenses.

- 142. The Managing Director or Whole-time Director shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

Business to be carried on by Mg. Director/Whole-time Director.

- 143. (1) The Managing Director or Whole-time Director shall have subject to the supervision, control and discretions of the Board, the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties in relation to the management of the affairs and transactions of the Company, except such powers and such duties

as are required by law or by these presents to be exercised or done by the Company in General Meeting or by the Board of Directors and also subject to such conditions or restrictions, imposed by the Companies Act or by these presents.

- (2) Without prejudice to the generality of the foregoing and subject to supervision and control of the Board of Directors, the business of the Company shall be carried on by the Managing Director or Wholetime Director and he shall have and exercise all the powers set out in Article 123 above, except those which are by law or by these presents or by any resolution of the Board required to be done by the Company in General Meeting or by the Board.
- (3) The Board may, from time to time, delegate to the Managing Director such of their powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time revoke, withdraw, alter or vary all or any of the powers conferred on the Managing Director or Wholetime Director by the Board or by these presents.

COMMON SEAL

Common Seal.

144. The Board shall provide a common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof; and the common seal shall be kept at the Registered Office of the Company and committed to the custody of the Managing Director or the Secretary if there is one.

Seal how affixed.

145. The seal shall not be affixed to any instrument except by authority of a resolution of the Board or of committee and unless the Board otherwise determines, every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company be signed by one Director at least in whose presence the seal shall have been affixed and countersigned by the Managing Director, Secretary or such other person as may from time to time be authorised by the Managing Director or by the Board provided nevertheless that any instrument bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority to issue the same.

Right to dividend.

146. (a) The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of the presents, as to the Reserve Fund, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
- (b) Where capital is paid up on any share in advance of calls, upon the footing that the same shall carry interest such capital shall not, whilst carrying interest, confer a right to participate in profits.

Declaration of dividends.

147. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

Interim dividends.

148. The Board may from time to time pay to the members such interim dividends as appear to them to be justified by the profits of the Company.

Dividends to be paid out of profits only.

149. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 205 of the Act.

Reserve Funds.

150. (1) The Board may before recommending any dividends set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provisions for meeting contingencies or for equalising dividends and pending such application, may at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.
- (2) The Board may also carry forward any profits when it may think prudent not to divide, without setting them aside as Reserve.

Deduction for arrears.

151. The Board may deduct from any dividend payable to any members all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Adjustment of dividends against calls.

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

Payment by cheque or warrant.

153. (1) Any dividend, interest, or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post direct to the registered address of the holder or in the case of joint holder to the registered address of that one of the joint holders who is first named on the register of members or to such persons and to such address as the holder or joint holders may in writing direct.

(2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(3) Every such cheque or warrant shall be posted within forty-two days from the date of declaration of dividend.

Receipt of joint holders.

154. Any one or two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such shares.

Notice of dividends.

155. Notice of any dividend that may have been declared shall be given to the persons entitled to share thereto in the manner mentioned in the Act.

Unclaimed Dividend.

156. (1) Where dividend has been declared by the Company but has not been paid or the warrant in respect thereof has not been posted within fortytwo days from the date of declaration to any shareholder entitled or the payment of dividend, the Company shall within 7 days from the date of expiry of the said period of 42 days transfer the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted within the same period of fortytwo days to a special account to be opened by the Company in that behalf in any scheduled Bank to be called "Unpaid Dividend Account" of.

(2) Any money transferred to the unpaid dividend account of the Company in pursuance of sub-clause (1) which remains unpaid or unclaimed for a period of 3 years from the date of such transfer shall be transferred by the Company 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 reserve account had not been made, the order if any for payment of the claim being treated as an order for refund of revenue.

(3) The Company shall when making any transfer under clause (2) 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 forth 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 such person is entitled to and the nature of his claim thereto and such other particular as may be prescribed.

(4) 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.

(5) "No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with all the provisions of Section 205-A of the Act in respect of unclaimed or unpaid dividend."

Transfer of shares not to pass prior to dividends.

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

CAPITALISATION OF PROFITS

Capitalisation of Profits.

158. (1) The Company in General Meeting, may on recommendation of the Board resolve:

- (a) That it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss accounts or otherwise available for distribution; and
 - (b) That such sum be accordingly set for distribution in the manner specified in sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of such dividend and in the same proportion.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in sub-clause (3) either in or towards:
- (i) Paying up any amounts for the time being unpaid on shares held by such members respectively;
 - (ii) Paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid, or
 - (iii) Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A share premium account and a capital redemption reserve fund may, for the purpose of this regulation only, be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares.
- (4) The Board shall give effect to the resolutions passed by the Company in pursuance of this regulation.

Power of Directors for declaration of bonus.

159. (1) Whenever such a resolution as aforesaid shall have been passed the Board shall:

- (a) Make all appropriations and applications of the undivided profits to be capitalised thereby and all allotments and issues of fully paid shares or debentures, if any, and
 - (b) Generally do all acts and things required to give effect thereto.
- (2) The Board shall have full power:
- (a) to make such provision, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and also
 - (b) to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares or debentures to which they may be entitled upon such capitalisation (or as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.

ACCOUNTS

Books of Accounts to be kept.

160. (1) The Board of Directors shall cause true accounts to be kept of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure takes place, of all sales and purchases of goods by the Company and of the assets, credits and liabilities of the Company.
- (2) If the Company shall have a Branch office, whether in or outside, proper books of accounts relating to the transactions effected at the 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 to the Company at its Registered Office or to such 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 fair and true view of the affairs of the Company or of its Branch office, as the case may be, with respect to the matters aforesaid and explain its transactions.

Where Books of Account to be kept.

161. The Books of Account shall be kept at the Registered Office or at such other place in India as the Directors think fit.

Inspection by members.

162. The Board of Directors shall from time to time determine whether and to what extent and at what time and places and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books of account or documents of the Company except as conferred by statute or authorised by the Directors or by a resolution of the Company in general meeting.

Statement of accounts to be furnished to General Meeting.

163. The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.

Form of Balance Sheet & Profit & Loss A/c.

164. (1) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in Parts I and II respectively of Schedule IV of the Act, or as near thereto as circumstances admit.
- (2) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 and other applicable provisions of the Act.

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

165. (1) Every Balance Sheet and every Profit & Loss Account of the company shall be signed on behalf of the Board by 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.

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 & Loss Account a statement signed by him explaining the reason of non-compliance with the provisions of sub-clause(1).

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

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

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

Board's Report to be attached to Balance Sheet.

167. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a report by the Board of Directors with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any Reserves in such Balance Sheet; and the amount, if any, which it recommends to be paid by way of dividend, material changes and commitments if any affecting the financial position of the company which have occurred between the end for the financial year of the Company to which the Balance Sheet relates and the date of the Report.
- (2) The Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, or 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's report shall also include a statement showing the name of every employee of the Company, who if employed throughout the financial year was in receipt of remuneration for that year which in the aggregate was not less than thirty six thousand rupees or if employed for part of the financial year was in receipt of remuneration for any part of the year at which in the aggregate was not less than three thousand rupees per month. The statement shall also indicate whether any such employee is a relative of any Directors or Managers of the Company and if so the names of such Directors and such other particulars prescribed.
- (4) The Board shall also give the fullest information and explanation in its report in cases falling under the provision to Section 222 in an addendum to that report, on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (5) The Board Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the

Boar, 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-clause (1) and (2) of Article 165.

- (6) The Board shall have the right to charge any person being a Director with the duty of seeing that the provisions of sub-clauses (1) to (3) of this Article are complied with.

Rights of members to copies of Balance Sheet & Auditors' Report.

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

ANNUAL RETURNS

Annual Returns.

169. The company shall make the requisite Annual Returns in accordance with the Sections 159 and 162 of the Act.

AUDIT

Accounts to be audited.

170. Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter set out.

171. (1) The first 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:

- (a) 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 special notice has been given to the members of the Company not less than seven days before the date of the meeting; and
- (b) if the Board fails to exercise its powers under this clause, the Company in General Meeting may appoint the first auditor or auditors.
- (2) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 days. Provided that before the appointment or reappointment of Auditor or Auditors is made by the Company at any general meeting a written certificate shall be obtained by the Company from the Auditor or Auditors proposed to be so appointed to the effect that the appointment or appointments if made will be in accordance with the limits specified in sub-section 1-B of Section 224. Every Auditors so appointed shall within 30 days of the receipt from the Company of the intimation of his appointment shall inform to the Registrar of Companies in writing that he has accepted or refused to accept the appointment.
- (3) Subject to the provisions of Section 224 (1-B) and Section 224-A at any Annual General Meeting, a retiring Auditor, by whatsoever authority appointed shall be reappointed unless:
 - (a) he is not qualified for re-appointment;
 - (b) he has given the Company notice in writing of his unwillingness to be reappointed;
 - (c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be reappointed, or
 - (d) where notice has been given of an intended resolution to appoint some person 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.
- (4) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy.
- (5) The Company shall within 7 days of the Central Government's power under sub-clause (4) becoming exercisable, give notice of that fact to the Government.
- (6) The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors (if any) may act where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only

be filled by the Company in General Meeting.

- (7) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a member to the company not less than 14 days before the meeting in accordance with Section 190 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 the provisions of Section 190 and all other provisions of Section 225 shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be reappointed.
- (8) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.
- (9) None of the persons mentioned in Section 226 of the Act as are not qualified for appointment as Auditors shall be appointed as Auditors of the Company.
- (10) The Company or its Board of Directors shall not appoint or re-appoint any person or firm as its Auditors if such person or firm is at the date of such appointment or reappointment holds appointment as Auditor of the specified number of Companies or more than the specified number of Companies, provided that in the case of the firm of auditors specified number of companies shall be construed as specified number of companies per partner of the firm, provided further that where any partners of the firm is also a partner of any other firm of auditors the number of companies which may be taken into account by all the firms together in relation to such partner shall not exceed the specified number in the aggregate. Provided also that where any partner of a firm of auditors is also holding office in this individual capacity as auditor of one or more companies the number of companies which may be taken into account in his case shall not exceed the specified number in the aggregate. Specified number means in the case of person or firm holding appointment as auditors of a number of companies each of which has a paid up share capital of less than Rs. 25 lakhs, 20 companies and in any other case 20 companies out of which not more than ten shall be companies each of which has a paid up share capital of Rs. 25 lakhs or more.

Audit of Branch Office.

172. 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.

Remuneration of Auditors.

173. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill any casual vacancy may be fixed by the Board.
174. (1) Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of his duties as Auditor.
- (2) All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor 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.
- (3) The Auditor shall make a report to the members of the Company on the accounts explained 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 Meeting during his tenure of office, and the Report shall state whether, in his opinion and to the best of his information and according to the explanations given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view;
 - (i) in the case of Balance Sheet of the state of the Company's affairs as at the end of its financial year; and
 - (ii) in the 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 explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
 - (b) Whether in his opinion, proper books of accounts as required by law have been kept by the company so far as it appears from his examination of those 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 Section 228 of the Act and how he has dealt with the same in preparing Auditor's Report; and

- (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns.
- (5) Whether any of the matters referred to on items (i) and (ii) of sub-clause (3) above or in items (a), (b), (c) and (d), of sub-clause (4) above is answered in the negative or with a qualification, the Auditor's Report shall state the reason for the answer.
- (6) The accounts of the Company shall not be deemed as not having been properly drawn up on the ground merely that the Company has not disclosed certain matters if:
 - (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in the Act or any other Act and
 - (b) those provisions are specified in the Balance Sheet and Profit and Loss Account of the Company.
- (7) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Accounts when audited & approved be conclusive except as to errors discovered within 3 months.

- 175. Every account of the Company when Audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein, within 3 months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and shall henceforth be conclusive.

SERVICE OF DOCUMENT AND NOTICE

Service of documents on the Company.

- 176. A document may be served on the Company or an officer thereof by sending it to the Company or Officer at the Registered Office of the Company by post under a certificate or posting or by Regd. Post or by leaving it at its Registered office.

How document is to be served.

- 177. (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 documents in relation to or in the winding up of the company) may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address, or (if he has no registered address in India) to the address, if any within India supplied by him to the Company for the giving of notices to him.
- (2) All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such person is named first in the Register and notice so given shall be sufficient notice to all the holders of such share.
- (3) Where a document is sent by post.
 - (a) Service thereof shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member; and
 - (b) unless the contrary is proved, such services 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.

Members to notify address in India.

- 178. Each registered holder of shares from time to time notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed his place of residence.

Service on members having no registered address.

- 179. If a member has not registered an address in India, and has not supplied to the Company an address within India, for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

Service on persons acquiring shares on death or insolvency of members.

180. 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 or representative of the deceased, or assignees of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been 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.

181. Subject to the provisions of the Act and these Articles, Notice of General Meeting shall be given:

- (i) to the members of the Company as provided by the Articles, in any manner authorised by Articles 178 and 180 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 181 or as authorised by the Act;
- (iii) to the Auditors for the time being of the company, in the manner authorised by Article 178 as in the case of any member or members of the Company.

Notice by Advertisement.

182. 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, in a newspaper circulating in the Dist. in which the Regd. office is situated.

Members bound by document given to previous holders.

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

184. 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. The signature to any notice to be given by the Company may be written or printed or lithographed.

AUTHENTICATION OF DOCUMENTS

Authentication of document & proceedings.

185. 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, the Manager, the Secretary or an authorised officer of the Company and need not be under its seal.

WINDING UP

Application of assets.

186. Subject to the provisions of the Act as to preferential payments the assets of the Company shall on its winding up, be applied in satisfaction of its liabilities *pari passu* and subject to such application shall be distributed among the members according to their rights and interests in the Company.

Division of in specie among assets of the Co. members.

187. If the Company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution divide among the contributories in specie or kind, any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators with the like sanction shall think fit. In case any shares to be divided as aforesaid division to any of the said shares may within 10 days after the passing of the special resolution by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall, if practicable, act accordingly.

INDEMNITY & RESPONSIBILITY

Directors' & others right to indemnity.

188. (a) Subject to the provisions of Section 201 of the Act, the Managing Director and every Director, Manager, Secretary and other Officer or Employee of the Company shall be indemnified by the Company against any liability, and it shall be the duty of the Directors out of the funds of the Company to pay, all costs and losses and expenses (including travelling expenses) which any such Director, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Managing Director, Director, Officer or Employee or in any way in the discharge of his duties.
- (b) Subject as aforesaid, the Managing Director and every Director, Manager, Secretary or other Officer or employee of the Company shall be indemnified against any liability incurred by them or him in defending any proceeding whether civil or criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the Court.

Not responsible for acts of others.

189. (1) Subject to the provisions of the Section 201 of the Act no Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer, or for joining in any receipts or other act for conformity or for any loss or expense happening to the company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any money, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless, the same happen through his own willful neglect act or default.
- (2) Without prejudice to the generality of foregoing it is hereby expressly declared that any filling fee payable or any document required to be filled with the Registrar of Companies in respect of any act done or required to be done by any Director other officer by reason of his holding the said office, shall be paid and borne by the Company.

SECURITY CLAUSE

Security.

190. No member shall be entitled to inspect the Company's work without the permission of Director or 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 secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be expedient in the interests of the Members of the Company to communicate to the public.

Duties of Officers to observe Security.

191. Every Director, Managing Director, Manager, Secretary, Auditor, Trustees, Members of a committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Directors before entering upon his duties, or at any time during his term of office, sign a declaration of the Company and the state of Accounts and in matters relating thereto, and shall by such declaration, pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or any meeting or by a Court of 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 of these Articles of Law.

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

Serial No.	Names, descriptions occupations, addresses and signatures of subscribers	No. of Equity Shares taken by each subscriber	Name, signature, address, occupation and description of witness
1.	Sheth Pravin Vrajlal S/o. Vrajlal H. Sheth, 17, Parekh Vora Chambers, 66, N. M. Road, Bombay - 400 023. (Practicing Chartered Accountant) sd/-	10 (Ten) Equity	
2.	Pazambalacode Subramania Krishnan S/o. Subramanian Iyer, 12, Aradhana, 386, Linking Road, Khar, Bombay - 400 052. (Service) Sd/-	10 (Ten) Equity	
3.	Atulchandra Umedchand Doshi S/o. Umedchand Damji Doshi, 59/10, United India Bldg., Scheme G, Road No. 25, Sion (West), Bombay - 400 022 (Business) Sd/-	10 (Ten) Equity	Abdullah Ebrahim S/o. Ebrahim Fakir, 3rd floor, 35, Undivia Street, Bombay - 400 008. (Service) Sd/-
4.	Shah Bharat Jashwantlal S/o. Jashwantlal, Block No. 2, Viridi Niwas, 321, F. Dr. Ambedkar Road, Matunga, Bombay - 400 019. (Service) Sd/-	10 (Ten) Equity	
5.	Jitendra Chhaganlal Shah S/o. Chhaganlal Shah, 4, Professor Quarters, Ahmedabad - 16. (Business) Sd/-	10 (Ten) Equity	
6.	Sheth Vilina Pravin W/o. Pravin Sheth, 128, Bhaudaji Road, Matunga, Bombay - 400 019. (Business) Sd/-	10 (Ten) Equity	
7.	Sheth Sudhir Vrajlal S/o. Vrajlal H. Sheth, 25, Anand Nagar Society, Chharwada Road, Vapi. (Industrialist) Sd	10 (Ten) Equity	
	Total	70 (Seventy) Equity	

Bombay, Dated 25th September, 1985.

"RESOLVED THAT the authorised share capital of the Company be increased from Rs. 1.00 Crore to Rs. 5.00 Crores by creation of Forty Lakhs equity shares of Rs. 10/- each ranking pari passu with the existing shares and Clause V of the Memorandum of Association and Article 5 of the Articles of Association be altered accordingly!"

1. "RESOLVED THAT Clause V of the Memorandum of Association of the Company be and shall always be deemed to have been substituted as under:

V. The Authorised Share Capital of the Company is Rs. 6,00,00,000/- (Rs. Six Crores only) divided into 60,00,000 (Sixty lacs) Equity shares of Rs. 10/- (Rs. Ten only) with such rights, privileges and conditions attached thereto as may be determined by the general meeting at the time of issue. The Company has and shall always have the power to divide the share capital from time to time and vary, modify and abrogate any rights, privileges or conditions attached to the share in such manner as may for the time being provided in the regulations of the Company."

2. "RESOLVED THAT Article 5 of the Articles of Association of the Company be and shall always be deemed to have been substituted as under:

The Authorised Share Capital of the Company is Rs. 6,00,00,000/- (Rs. Six Crores only) divided into 60,00,000 (Sixty lacs) Equity Shares of Rs. 10/- (Rs. Ten only) each.

3. "RESOLVED THAT pursuant to Section 31 of the Companies Act, 1956, the Article of Association of the Company be altered in the following manner that is to say:

- 1) Article 8(3):

In the 1st line, between the word "shares" and "not" the word "shall" should be inserted.

- 2) Article 21: be substituted as follows:

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

- 3) Article 36:

The following Clause to be numbered 5 be added to Article 36 after Clause 4:

"(5) Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered, the Company shall notwithstanding anything contained in any other provision of the Act or these Articles.

- (a) transfer the dividend in relation to such shares to the special account referred to in Section 205 A of the Act unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instruments of transfer and
- (b) keep in obedience in relation to such shares any offer of rights shares under Section 81(1)(a) of the Act and any issue of fully paid-up bonus shares in pursuance of Section 205(3) of the Act read with Article 158 hereof.

- 4) Article 98:

In Article 98, the words "Rs. 250/- may be decided by the Board" appearing in second line be substituted by words "as prescribed under the Companies Act 1956 as may be amended from time to time."

- 5) Article 106: Article 106 be substituted by the following:

106 "No person not being a retiring Director shall be eligible for appointment to the office of Director at a General Meeting unless he or some member intending to propose him has not less than fourteen days before the meeting, left at the office a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be alongwith a deposit of Rs. 500/- which shall be refunded to such person or, as the case may be, to such member if the person concerned succeeds in getting elected as a Director at the aforesaid general meeting."

- 6) Article 156: The following Clause to be numbered (5) of Clause 4 of Article 156 be added at the end:
5) "No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with all the provisions of Section 205-A of the Act in respect of unclaimed or unpaid dividend."
and
- 7) Article 17(2):
For the words "two months" appearing in second line of Clause 2 of Article 17 the word "one month" be substituted.

EXTRACT OF THE SPECIAL RESOLUTION PASSED BY THE MEMBER OF KUNSTSTOFFE INDUSTRIES LIMITED HELD ON 25TH SEPTEMBER 1991.

"RESOLVED THAT pursuant to Section 31 and other applicable provisions if any of the Companies Act, 1956 Article 5 of the Articles of Association of the Company be and is hereby deleted and the following new Article 5 be substituted in place and instead thereof:

V. The Authorised Share Capital of the Company is Rs.15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crores Fifty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each with power to subdivide, consolidate and increase or decrease with power from time to time to issue any shares of the original capital with and subject to any preferential, deferred, qualified or special rights, privileges or condition as may be thought fit, and upon the sub-division, of shares to apportion the right to participates in profits in any manner as between the shares resulting form the sub-division

